

# Debt Service Report 2020

Gladwin County  
Debt Service Report for 2020

Debt Type	Balance January 1, 2020	Additions	Deductions	Balance December 31, 2020	Due within One Year	Original Issue Amount	Original Issue Date	Interest Rates	Repayment Source
<b>Primary Government:</b>									
<b>Governmental Activities:</b>									
1- <b>Installment Purchase Agreement</b>	\$ 1,335,750.00	\$ -	\$ 115,043.00	\$ 1,220,707.00	\$ 118,812.00	\$ 1,335,750.00	7/24/2019	3.25%	Operating Income
Compensated absences	\$ 221,436.00	\$ 40,837.00		\$ 262,273.00	\$ -	On going	On going	None	Operating Income
	\$ 1,557,186.00	\$ 40,837.00	\$ 115,043.00	\$ 1,482,980.00	\$ 118,812.00				
<b>Business-type activities:</b>									
2- <b>2018 Tax Note, Series 2019</b>	\$ 910,000.00	\$ -	\$ 910,000.00	\$ -	\$ -	\$ 2,300,000.00	May-19	Variable	Delinquent Taxes and Fees
3- <b>2019 Tax Note, Series 2020</b>	\$ -	\$ 2,400,000.00	\$ 1,460,000.00	\$ 940,000.00	\$ 940,000.00	\$ 2,400,000.00	Jun-20	Variable	Delinquent Taxes and Fees
<b>Total - Primary Government</b>	<u>\$ 2,467,186.00</u>	<u>\$ 2,440,837.00</u>	<u>\$ 2,485,043.00</u>	<u>\$ 2,422,980.00</u>	<u>\$ 1,058,812.00</u>				
<b>Component Units:</b>									
4- <b>Installment purchase agreements - Road Comm</b>	\$ 305,396.00	\$ -	\$ 38,514.00	\$ 266,882.00	\$ 82,503.00	Various	Various		Operating Income
5- <b>Michigan Transportation Bond - Rd Comm</b>	\$ 660,000.00		\$ 130,000.00	\$ 530,000.00	\$ 420,000.00	\$ 1,285,000.00	10/9/2012	1.84%	Operating Income
6- <b>Michigan Transportation Bond - Rd Comm 2019</b>		\$ 4,000,000.00	\$ 88,000.00	\$ 3,912,000.00	\$ 90,000.00	\$ 4,000,000.00	1/20/2020	2.75%	Operating Income
7- <b>Water Supply &amp; Sewer Disposal, Series 1996</b>	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ -	\$ 1,005,000.00	7/26/2007	3.95 to 4.550%	City water/sewer charges
8- <b>Chappel Dam Drain Note</b>	\$ 735,000.00	\$ -	\$ 100,000.00	\$ 635,000.00	\$ 100,000.00	\$ 1,745,000.00	4/1/2009	4.00 to 6.00%	Special Assessments
9- <b>Chappel Dam Drain Note Series 2020</b>		\$ 565,000.00		\$ 565,000.00	\$ 35,000.00	\$ 565,000.00	9/30/2020	2.30%	Special Assessments
Compensated absences - Road Commission	\$ 240,014.00	\$ 160,112.00	\$ 144,654.00	\$ 255,472.00	\$ 6,000.00	On going	On going	None	Operating Income
Compensated absences - Transit Authority	\$ 34,833.00	\$ 2,603.00		\$ 37,436.00	\$ -	On going	On going	None	Operating Income
<b>Total - Component Units</b>	<u>\$ 2,075,243.00</u>	<u>\$ 4,727,715.00</u>	<u>\$ 601,168.00</u>	<u>\$ 6,201,790.00</u>	<u>\$ 733,503.00</u>				

**Long-term debt.** At the end of the current year, the primary government had total debt outstanding (not including vested employee benefits) of:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Qualified Tax-Exempt Obligation				
Installment Purchase Agreement	\$ 1,335,750	\$ -	\$ 115,043	\$ 1,220,707
Vested Employee Benefits	221,436	40,837	-	262,273
<b>Business-type Activities:</b>				
GO Limited Tax Notes	910,000	-	910,000	-
GO Limited Tax Notes	-	2,400,000	1,460,000	940,000
<b>Total Long-Term Debt for the Primary Government</b>	<u>\$ 2,467,186</u>	<u>\$ 2,440,837</u>	<u>\$ 2,485,043</u>	<u>\$ 2,422,980</u>

A more detailed discussion of the County's long-term debt obligations is presented in Note 6 to the financial statements.

### **Economic Factors and Next Year's Budgets and Rates**

The following factors were considered in preparing the County's 2021 budget:

- Employee wages and fringes were calculated based on their respective policies and contracts. Individual Department Heads requested expenditures that were formally approved after Board consideration during public hearing.

### **Contacting the County's Management**

This financial report is designed to provide a general overview of the County's finances to all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Gladwin County Administration Office, 401 West Cedar Avenue, Gladwin, Michigan 48624.

**NOTE 6 - LONG-TERM DEBT**

**Primary Government**

General obligation and revenue bonds and notes are direct obligations and pledge the full faith and credit of the government. These bonds are generally issued as 5 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation and revenue bonds and notes currently outstanding are as follows:

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Interest Rate	Principal Matures	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Installment Purchase Agreement	3.25%	2029	\$ 1,335,750	\$ -	\$ 115,043	\$ 1,220,707	\$ 118,812
Vested Employee Benefits			<u>221,436</u>	<u>40,837</u>	<u>-</u>	<u>262,273</u>	<u>-</u>
Total Governmental Activities			<u>1,557,186</u>	<u>40,837</u>	<u>115,043</u>	<u>1,482,980</u>	<u>118,812</u>
<b>Business-type Activities:</b>							
General Obligation Limited Tax Notes	Variable	2019	910,000	-	910,000	-	-
General Obligation Limited Tax Notes	Variable	2020	<u>-</u>	<u>2,400,000</u>	<u>1,460,000</u>	<u>940,000</u>	<u>940,000</u>
Total Business-type Activities			<u>910,000</u>	<u>2,400,000</u>	<u>2,370,000</u>	<u>940,000</u>	<u>940,000</u>
<b>Total Primary Long-Term Debt</b>			<u>\$ 2,467,186</u>	<u>\$ 2,440,837</u>	<u>\$ 2,485,043</u>	<u>\$ 2,422,980</u>	<u>\$ 1,058,812</u>

Annual debt service requirements to maturity for the above obligations are as follows:

Year End December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 118,812	\$ 38,715	\$ 940,000	\$ -
2022	122,705	34,823	-	-
2023	126,725	30,802	-	-
2024	130,877	26,650	-	-
2025	135,165	22,362	-	-
2026-2029	<u>586,423</u>	<u>43,688</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,220,707</u>	<u>\$ 197,040</u>	<u>\$ 940,000</u>	<u>\$ -</u>

**Component Units**

The long-term debt and other long-term obligations of the County's component units, and the changes therein, are summarized as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Road Commission:</b>					
Installment Purchase Agreements	\$ 305,396	\$ -	\$ 38,514	\$ 266,882	\$ 82,503
Bonds Payable	660,000	4,215,000	218,000	4,657,000	420,000
Vested Employee Benefits	<u>240,014</u>	<u>160,112</u>	<u>144,654</u>	<u>255,472</u>	<u>6,000</u>
<b>Total Road Commission Long-term Debt</b>	<u>\$ 1,205,410</u>	<u>\$ 4,375,112</u>	<u>\$ 401,168</u>	<u>\$ 5,179,354</u>	<u>\$ 508,503</u>

**NOTE 6 - LONG-TERM DEBT (Continued)**

*Road Commission* – Michigan Transportation, USDA and State Infrastructure Bank (SIB) Bonds are issued by the Road Commission to finance construction projects and are direct obligations, pledging the full faith and credit of the County and the Road Commission. The bonds are issued as a 5 to 20 year serial bonds with varying amounts of principal maturing each year through 2045 and bear interest at a rate of 0.00% to 2.75%. The installment purchase agreements bear interest from 2.89% to 3.00%. Title to the equipment is transferred to the lessor at the end of the lease. Annual debt service requirements to maturity for the Michigan Transportation bonds and installment purchase agreements are as follows:

<u>Year End December 31</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 502,503	\$ 36,395
2022	606,379	115,063
2023	425,000	108,877
2024	438,000	103,863
2025	300,000	99,963
2026-2030	545,000	458,014
2031-2035	624,000	380,986
2036-2040	715,000	292,766
2041-2045	<u>768,000</u>	<u>262,544</u>
Total	<u>\$ 4,923,882</u>	<u>\$ 1,858,471</u>

***Advance Refunding***

In October 2012, the Road Commission component unit issued Michigan Transportation Fund Bonds in the amount of \$1,285,000. Proceeds from this bond issue, along with a contribution from the Road Commission of \$10,818 were used to advance refund Michigan Transportation Fund Bonds issued in 2004. The refunded bonds mature as scheduled through February 2024. The balance of the defeased debt outstanding at December 31, 2020, was \$535,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position.

**Department of Public Works:**

General Obligation Bonds	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>
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**Drain Commission:**

General Obligation Notes	\$ 735,000	\$ -	\$ 100,000	\$ 635,000	\$ 100,000
General Obligation Notes	-	565,000	-	565,000	35,000

Total Drain Commission	<u>\$ 735,000</u>	<u>\$ 565,000</u>	<u>\$ 100,000</u>	<u>\$ 1,200,000</u>	<u>\$ 135,000</u>
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Annual debt service requirements to maturity for the above obligations are as follows:

*Drain Commission* – General obligation drain improvement bonds and notes are issued by the County to finance certain drainage district construction projects. General obligation bonds have been issued for governmental activities. These bonds and notes are direct obligations, pledging the full faith and credit of the County and the respective drainage districts. The bonds are generally issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year and bear interest rates varying from 4.14% to 6%. Annual debt service requirements to maturity for the Drain Commission general obligation bonds are as follows:

**Tab 1**

**Installment purchase agreements**

**Gladwin County**

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**INDEX TO LEGAL DOCUMENTS**  
**BANK-QUALIFIED, APPROPRIATION-BASED**  
**TAX-EXEMPT MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT**  
**DATED JULY 24, 2019 BY AND BETWEEN**  
**SIGNATURE PUBLIC FUNDING CORP.**  
**And**  
**COUNTY OF GLADWIN, MICHIGAN**

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Lease Documents:

- |         |  |
|---------|--|
| Tab 1:  | Master Equipment Lease-Purchase Agreement;   |
| Tab 2:  | Exhibit A - Equipment Schedule;  |
| Tab 3:  | Exhibit B - Acceptance Certificate;  |
| Tab 4:  | Exhibit C-1 - Insurance Coverage Request;  |
| Tab 5:  | Exhibit C-2 - Self-Insurance Rider (if applicable);<br>Exhibit C-3 - Questionnaire for Self-Insurance (If applicable); |
| Tab 6:  | Exhibit D - Essential Use Certificate;   |
| Tab 7:  | Exhibit E - Incumbency Certificate;  |
| Tab 8:  | Exhibit F - Form of Opinion of Lessee's Counsel;   |
| Tab 9:  | Exhibit G - Bank Qualified Designation   |
| Tab 10: | Exhibit H - Tax Certificate;   |
| Tab 11: | Exhibit I - Escrow Agreement   |
| Tab 12: | Exhibit J: - Form of Sample Resolution of Lessee;  |
| Tab 13: | UCC-1 - Financing Statement with attached Schedule A;  |
| Tab 14: | Form 8038-G;   |
| Tab 15: | Closing Memorandum/Payment Proceeds Direction; and   |
| Tab 16: | Vendor Invoices, Vendor Contract & Pay and Performance Bond  |

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**SIGNATURE  
PUBLIC FUNDING**

**SIGNATURE PUBLIC FUNDING CORP.**

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**MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT NO. 500 184**

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This **MASTER EQUIPMENT LEASE –PURCHASE AGREEMENT** (the "Agreement"), dated as of July 24, 2019 is made and entered into by and between **SIGNATURE PUBLIC FUNDING CORP.**, a New York corporation, as lessor (the "Lessor"), and **COUNTY OF GLADWIN, MICHIGAN**, a County of the State of Michigan (the "State"), which is a political subdivision as defined under the Code, as lessee ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

**ARTICLE I. DEFINITIONS AND EXHIBITS**

**Section 1.1. Definitions.** The following terms have the meanings specified below.

"Acceptance Certificate" means each Acceptance Certificate delivered by Lessee as part of an Equipment Schedule certifying as to the delivery, installation and acceptance of Equipment.

"Agreement" means this Master Equipment Lease-Purchase Agreement "Agreement Date" means the date first written above.

"Code" means the Internal Revenue Code of 1986, as amended, together with Treasury Regulations promulgated from time to time thereunder.

"Default Rate" means the lesser of 9% per annum, or the maximum rate permitted by law.

"Equipment" means all items of property described in Equipment Schedules and subject to this Agreement.

"Equipment Group" means each group of Equipment listed in a single Equipment Schedule.

"Equipment Schedule" means each sequentially numbered schedule executed by Lessor and Lessee with respect to Equipment Group.

"Escrow Account" means the equipment acquisition account, if any, established by Lessor and Lessee with the Escrow Agent pursuant to the Escrow Agreement.

"Escrow Agent" means Signature Bank or, if applicable, any other mutually agreeable escrow agent identified under the Escrow Agreement for any applicable Lease hereunder.

"Escrow Agreement" means the Escrow Deposit Agreement, substantially in the form of Exhibit I hereto, or another mutually agreeable form of escrow agreement to be executed by Lessor, Lessee and the Escrow Agent upon the first funding of an Equipment Schedule using the procedure described in Section 2.4.

"Events of Default" means those events described in Section 12.1.

"Fiscal Year" means each 12-month fiscal period of Lessee.

"Funding Date" means, with respect to each Lease, the date Lessor makes payment to the Vendor(s) named in the related Equipment Schedule or reimburses Lessee for the purchase price of the related Equipment Group or, if the procedure described in Section 2.4 is utilized, the date Lessor deposits funds equal to such purchase price into the Escrow Account.

"Interest" means the portion of a Rental Payment designated as and comprising interest as provided in a Payment Schedule.

"Lease" means, with respect to each Equipment Group, this Agreement and the Equipment Schedule together with all exhibits, certificates and deliverables relating thereto, which together shall constitute a separate contract between Lessor and Lessee relating to such Equipment Group.

"Lease Date" means, with respect to each Lease, the date so designated in the related Equipment Schedule.

"Lease Term" means, with respect to each Equipment Group, the period during which the related Lease is in effect as specified in Section 3.1.

"Net Proceeds" means any insurance proceeds or condemnation awards paid with respect to any Equipment remaining after payment therefrom of all expenses incurred in the collection thereof.

"Non-Appropriation" means the failure of Lessee, Lessee's governing body, or, if applicable, the governmental entity from which Lessee obtains its operating and/or capital funds to appropriate money for any Fiscal Year sufficient for the continued payment and/or performance by Lessee of all of Lessee's obligations under this Agreement, as evidenced by the passage of an ordinance or resolution prohibiting Lessee from performing its obligations under this Agreement with respect to any Equipment and/or budget, and from using properly appropriated and/or legally available funds to pay any Rental Payments due under this Agreement during any Fiscal Year.

"Payment Date" means each date upon which a Rental Payment is due and payable as provided in a Payment Schedule.

"Payment Schedule" means the schedule of Rental Payments attached to an Equipment Schedule.

"Principal" means the portion of any Rental Payment designated as and comprising principal as provided in a Payment Schedule.

"Prepayment Price" means the amount so designated and set forth opposite a Payment Date in a Payment Schedule indicating the amount for which Lessee may purchase the related Equipment Group as of such Payment Date after making the Rental Payment due on such Payment Date.

"Rental Payment" means each payment due from Lessee to Lessor on a Payment Date.

"Specifications" means the bid specifications and/or purchase order pursuant to which Lessee has ordered any Equipment from a Vendor.

"State" means the state or commonwealth in which Lessee is situated as set forth in the preamble above.

"Vendor" means each of the manufacturers or vendors from which Lessee has ordered or with which Lessee has contracted for the manufacture, delivery and/or installation of the Equipment.

#### **Section 1.2. Exhibits.**

<b><u>Exhibit A:</u></b>	Equipment Schedule including Payment Schedule.
<b><u>Exhibit B:</u></b>	Acceptance Certificate.
<b><u>Exhibit C-1:</u></b>	Confirmation of Outside Insurance.
<b><u>Exhibit C-2:</u></b>	Self-Insurance Rider and Lessor Consent (if applicable).
<b><u>Exhibit C-3:</u></b>	Questionnaire for Self-Insurance (if applicable).
<b><u>Exhibit D:</u></b>	Essential Use Certificate (unless waived).
<b><u>Exhibit E:</u></b>	Incumbency Certificate.
<b><u>Exhibit F:</u></b>	Form of Opinion of Counsel to Lessee.
<b><u>Exhibit G:</u></b>	Bank-Qualified Designation (if applicable).
<b><u>Exhibit H:</u></b>	Tax Certificate.
<b><u>Exhibit I:</u></b>	Escrow Deposit Agreement (together with Disbursement Request Form).
<b><u>Exhibit J:</u></b>	Form of Resolution of the Governing Body of Lessee relating to each Lease.

## **ARTICLE II. LEASE OF EQUIPMENT**

**Section 2.1. Acquisition of Equipment.** Prior to the addition of any Equipment Group, Lessee shall provide Lessor with a description of the equipment proposed to be subject to a Lease hereunder, including the cost and vendor of such equipment, the expected delivery date and the desired lease terms for such equipment, and such other information as the Lessor may require. If Lessor, in its sole discretion, determines the proposed equipment may be subject to a Lease hereunder, Lessor shall furnish to Lessee a proposed Equipment Schedule relating to the Equipment Group for execution by Lessee and then Lessor. By execution hereof, Lessor has made no commitment to lease any equipment to Lessee.

**Section 2.2. Disbursement.** Lessor shall have no obligation to make any disbursement to a Vendor or reimburse Lessee for any payment made to a Vendor for an Equipment Group (or, if the escrow procedure described in Section 2.4 hereof is utilized, consent to a disbursement by the Escrow Agent) until five (5) business days after Lessor has received all of the following in form and substance satisfactory to Lessor: (a) a completed Equipment Schedule executed by Lessee; (b) an Acceptance Certificate in the form included with Exhibit B hereto; (c) a resolution or evidence of other



official action taken by or on behalf of the Lessee to authorize the acquisition of the Equipment Group on the terms provided in such Equipment Schedule; (d) a Tax Certificate in the form of Exhibit H (as applicable) attached hereto; (e) evidence of insurance with respect to the Equipment Group in compliance with Article VII of this Agreement; (f) Vendor invoice(s) and/or bill(s) of sale relating to the Equipment Group, and if such invoices have been paid by Lessee, evidence of payment thereof and evidence of official intent to reimburse such payment as required by the Code; (g) financing statements naming Lessee as debtor and/or the original certificate of title or manufacturer's certificate of origin and title application, if any, for any Equipment which is part of such Equipment Group and is subject to certificate of title laws; (h) a completed and executed Form 8038-G or 8038-GC, as applicable, or evidence of filing thereof with the Secretary of Treasury; (i) an opinion of counsel to the Lessee substantially in the form of Exhibit F hereto, and (j) any other documents or items reasonably required by Lessor.

**Section 2.3. Lease; Possession and Use.** Lessor hereby leases the Equipment to Lessee, and Lessee hereby leases the Equipment from Lessor, upon the terms and conditions set forth herein. Lessee shall have quiet use and enjoyment of and peaceably have and hold each Equipment Group during the related Lease Term, except as expressly set forth in this Agreement.

**Section 2.4. Escrow Procedure.** If Lessor and Lessee agree that the cost of an Equipment Group is to be paid from an Escrow Account: (a) Lessor and Lessee shall execute an Escrow Agreement substantially in the form of Exhibit I or such other form as may be mutually agreeable by the parties thereto; (b) Lessor and Lessee shall execute an Equipment Schedule relating to such Equipment Group; and (c) Lessor shall deposit an amount equal to the cost of the Equipment Group into the Escrow Account. All amounts deposited by Lessor into the Escrow Account shall constitute a loan from Lessor to Lessee secured by proceeds in such Escrow Account and, when such funds are used to acquire the Equipment, shall be repaid by the Rental Payments due under the related Lease.

### **ARTICLE III. TERM**

**Section 3.1. Term.** This Agreement shall be in effect from the Agreement Date until the earliest of (a) termination under Section 3.2 or (b) termination under Section 12.2; provided, however, no Equipment Schedules shall be executed after any Non-Appropriation or Event of Default. Each Lease with respect to an Equipment Group shall be in effect for a Lease Term commencing upon the Lease Date and ending as provided in Section 3.4.

**Section 3.2. Termination by Lessee.** In the sole event of Non-Appropriation, this Agreement and each Lease hereunder shall terminate, in whole, but not in part, as to all Equipment effective upon the last day of the Fiscal Year for which funds were appropriated, in the manner and subject to the terms specified in this Article. Lessee may affect such termination by giving Lessor a written notice of termination and by paying to Lessor any Rental Payments and other amounts which are due and have not been paid at or before the end of its then current Fiscal Year. Lessee shall endeavor to give notice of such termination not less than ninety (90) days prior to the end of the Fiscal Year for which appropriations were made, and shall notify Lessor of any anticipated termination. In the event of termination of this Agreement as provided in this Section, Lessee shall comply with the instructions received from Lessor in accordance with Section 12.3. Lessor agrees that it shall not deliberately cause an event of Non-Appropriation so as to permit Lessee to terminate this Agreement or any Lease hereunder in order to acquire any other equipment or obtain funds directly or indirectly to perform essentially the same application for the Equipment is intended.

**Section 3.3. Effect of Termination.** Upon termination of this Agreement as provided in Section 3.2, Lessee shall not be responsible for the payment of any additional Rental Payments coming due in succeeding Fiscal Years, but if Lessee has not complied with the instructions received from Lessor in accordance with Section 12.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments that would thereafter have come due if this Agreement had not been terminated and which are attributable to the number of days after which Lessee fails to comply with Lessor's instructions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required.

**Section 3.4. Termination of Lease Term.** The Lease Term with respect to any Lease will terminate upon the occurrence of the first of the following events: (a) the termination of this Agreement by Lessee in accordance with Section 3.2; (b) the payment of the Prepayment Price by Lessee pursuant to Article V; (c) an Event of Default by Lessee and Lessor's election to terminate such Lease pursuant to Article XII; or (d) the payment by Lessee of all Rental Payments and all other amounts authorized or required to be paid by Lessee pursuant to such Lease.

### **ARTICLE IV. RENTAL PAYMENTS**

**Section 4.1. Rental Payments.** The Lessee agrees to pay the Rental Payments due as specified in the Payment Schedule set forth on any Equipment Schedule hereto, the form of which is attached as Exhibit A. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule of each lease, and the first Rental Payment will include Interest accruing from the Funding Date. Lessor is authorized to insert the due date of the first Rental Payment

in the Payment Schedule. All Rental Payments shall be paid to Lessor, or to such assignee(s) Lessor has assigned as stipulated in Article XI, at such places as Lessor or such assignee(s) may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefor.

**Section 4.2. Current Expense.** The obligations of Lessee, including its obligation to pay the Rental Payments due in any Fiscal Year of a Lease Term, shall constitute a current expense of Lessee for such Fiscal Year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State. Nothing herein shall constitute a pledge by Lessee of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for the benefit of Lessee for this Agreement and the Net Proceeds of the Equipment) to the payment of any Rental Payment or other amount coming due hereunder.

**Section 4.3. Unconditional Rental Payments.** Notwithstanding Lessee's right to terminate as provided in Section 3.2, Lessee's obligation to make Rental Payments shall be absolute and unconditional. Also, any other payments required hereunder shall be absolute and unconditional. Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes. The Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments. Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment. The Lessee shall be obligated to continue to make payments required of it by this Agreement if title to, or temporary use of, the Equipment or any part thereof shall be taken under exercise of the power of eminent domain.

#### **ARTICLE V. OPTION TO PREPAY**

**Section 5.1. Option to Prepay.** Lessee shall have the option to prepay its obligations under any Lease in whole but not in part on any Payment Date on or after the Prepayment Option Commencement Date for the then applicable Prepayment Price (which may include a prepayment fee) as set forth in the related Payment Schedule, provided there has been no Non-Appropriation or Event of Default.

**Section 5.2. Exercise of Option.** Lessee shall give notice to Lessor of its intention to exercise its option not less than thirty (30) days prior to the Payment Date on which the option will be exercised and shall pay to Lessor not later than such Payment Date an amount equal to all Rental Payments and any other amounts then due or past due under the related Lease (including the Rental Payment due on the Payment Date on which the option shall be effective) and the applicable Prepayment Price set forth in the related Payment Schedule. In the event that all such amounts are not received by Lessor on such Payment Date, such notice by Lessee of exercise of its option to prepay shall be void and the related Lease shall continue in full force and effect.

**Section 5.3. Release of Lessor's Interest.** Upon receipt of the Prepayment Price in good funds with respect to any Equipment Group, the Lease with respect to such Equipment Group shall terminate and Lessee shall become entitled to such Equipment Group AS IS, WHERE IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that such Equipment Group shall not be subject to any lien or encumbrance created by or arising through Lessor.

#### **ARTICLE VI. REPRESENTATIONS, WARRANTIES AND COVENANTS**

**Section 6.1. Representations and Warranties of Lessee.** Lessee represents and warrants as of the Agreement Date and as of each Lease Date as follows:

- (a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, each Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and each Lease.
- (b) The execution and delivery of this Agreement and each Lease have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement, each Lease and the acquisition and financing of the Equipment by Lessee.
- (c) This Agreement and each Lease have been duly executed and delivered by and constitutes the valid and binding obligation of Lessee, enforceable against Lessee in accordance with their respective terms.
- (d) The execution, delivery and performance of this Agreement and each Lease by Lessee shall not (i) violate any State or federal law or local law or ordinance (including, without limitation, any public bidding, open meeting, notice, and procurement requirements), or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or any Lease or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or any Lease.

(f) Lessee will furnish Lessor (i) within 180 days after the end of each Fiscal Year of Lessee, a copy of its audited financial statements for such Fiscal Year, which audited financial statements shall include a balance sheet, a statement of revenues, expenses and changes in fund balances for budget and actual, a statement of cash flows, notes, schedules and any attachments to the financial statements; (ii) no later than 10 days prior to the end of each Fiscal Year (commencing with the current Fiscal Year), a copy of Lessee's current budget or other proof of appropriation for the ensuing Fiscal Year; (iii) promptly after Lessor's written request, a copy of any interim updates or modifications to Lessee's adopted budget and such other information relating to Lessee's ability to continue the Lease Term of each Lease for such Fiscal Year as may be reasonably requested by Lessor; and (iv) promptly, but not later than 30 days after such information is available, after Lessor's written request, such other financial statements and information as Lessor may reasonably request, including, without limitation, any information relating to the measurement and verification of proposed or guaranteed energy savings. The financial statements described in clause (f)(i) shall be accompanied by an unqualified opinion of Lessee's auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(g) Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current Fiscal Year, and such moneys will be applied in payment of all Rental Payments due and payable during such current Fiscal Year.

(h) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term. Lessee presently intends to continue each Lease hereunder for its entire Lease Term and to pay all Rental Payments relating thereto.

**Section 6.2. Covenants of Lessee.** Lessee agrees that so long as any Rental Payments or other amounts due under this Agreement remain unpaid:

(a) Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition would change or impair the originally intended functions, value or use of such Equipment.

(b) Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder.

(c) Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment, other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time. Lessee shall reimburse Lessor for any expense incurred by Lessor in order to discharge or remove any such claim.

(d) The person or entity in charge of preparing Lessee's budget will include in the budget request for each Fiscal Year the Rental Payments to become due during such Fiscal Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Fiscal Year sufficient to pay all Rental Payments coming due therein. Lessor acknowledges that appropriation for Rental Payments is a governmental function which Lessee cannot contractually commit itself in advance to perform. Lessee acknowledges that this Agreement does not constitute such a commitment. However, Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be appropriated and made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

(e) Lessee shall assure that its obligation to pay Rental Payments is not directly or indirectly secured by any interest in property, other than the Equipment, and that the Rental Payments will not be directly or indirectly secured by or derived from any payments of any type or any fund other than Lessee's general purpose fund.

(f) Upon Lessor's request, Lessee shall provide Lessor with current financial statements, budgets, and proof of appropriation for the ensuing Fiscal Year and such other financial information relating to the ability of Lessee to continue this Agreement and each Lease as may be reasonably requested by Lessor.

(g) Lessee shall promptly and duly execute and deliver to Lessor such further documents, instruments and assurances and take such further action as Lessor may from time to time reasonably request in order to carry out the intent and purpose of this Agreement and to establish and protect the rights and remedies created or intended to be created in favor of Lessor hereunder.

### **Section 6.3. Tax Related Representations, Warranties and Covenants.**

(a) *Incorporation of Tax Certificate.* As of each Lease Date and with respect to each Lease, Lessee makes each of the representations, warranties and covenants contained in the Tax Certificate delivered with respect to such Lease. By this reference each such Tax Certificate is incorporated in and made a part of this Agreement.

(b) *Event of Taxability.* If Lessor either (i) receives notice, in any form, from the Internal Revenue Service or (ii) reasonably determines, based on an opinion of a nationally recognized independent tax counsel, that Lessor may not exclude, for any reason, any Interest (or portion thereof) paid under any Lease from its Federal gross income and/or should any State financial institutions tax or Federal income tax change materially affect Lessor's anticipated yield (an "Event of Taxability"), the Lessee shall pay to Lessor upon demand (x) an amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the Interest due through the date of such event), will restore to Lessor its anticipated after-tax yield (assuming tax at the highest marginal tax rate and taking into account the time of receipt of Rental Payments and reinvestment at the after-tax yield rate) on the transaction evidenced by such Lease through the date of such event and (y) as additional Rental Payments to Lessor on each succeeding Payment Date such amount as will maintain such anticipated after-tax yield to Lessor.

## **ARTICLE VII. INSURANCE AND RISK OF LOSS**

**Section 7.1. Liability and Property Insurance.** Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and/or assigns from liability in all events, with a coverage of not less than \$1,000,000 per occurrence and either \$3,000,000 aggregate for non-titled Equipment or \$5,000,000 aggregate for titled Equipment unless specified differently in the related Equipment Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Equipment or the applicable Prepayment Price of each Equipment Group.

**Section 7.2. Workers' Compensation Insurance.** If required by State law, Lessee shall carry workers' compensation insurance covering all employees on, in, near or about the Equipment, and upon request, shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

### **Section 7.3. Insurance Requirements.**

(a) *Insurance Policies.* All insurance policies required by this Article shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each insurance policy shall name Lessor and/or its assigns as an additional insured party and loss payee regardless of any breach of warranty or other act or omission of Lessee and shall include a lender's loss payable endorsement for the benefit of Lessor and/or its assigns. Prior to the delivery of Equipment, Lessee shall deposit with Lessor evidence satisfactory to Lessor of such insurance and, prior to the expiration thereof, shall provide Lessor evidence of all renewals or replacements thereof.

(b) *Self Insurance.* With Lessor's prior consent, Lessee may self-insure the Equipment by means of an adequate insurance fund set aside and maintained for that purpose which must be fully described in a letter delivered to Lessor in form acceptable to Lessor.

(c) *Evidence of Insurance.* Lessee shall deliver to Lessor upon acceptance of any Equipment evidence of insurance which complies with this Article VII with respect to such Equipment to the satisfaction of Lessor, including, without limitation, the confirmation of insurance in the form of Exhibit C-1 attached hereto together with Certificates of Insurance, when available, or the Questionnaire for Self-Insurance Rider and Lessor Consent in the form of Exhibit C-2 attached hereto, as applicable.

(d) *Payment and Performance Bond.* If requested by Lessor, which will be solely in circumstances where the Equipment will not be fully delivered and accepted at the time of funding yet partial payment therefor has been or will be made by Lessor or from an Escrow Account, a payment and performance or other type of surety bond and dual obligee rider ("Bond") is required in form and substance and with such insurer as may be required by Lessor, and Lessee will keep such Bond in effect (or require the Vendor to keep such Bond in effect) and provide Lessor with a evidence of such Bond (and any applicable renewals thereof) at all times until the final Acceptance Certificate is delivered to the Lessor. No disbursements from the Escrow Account will be permitted without evidence of such Bond having been delivered to the Lessor.

**Section 7.4. Risk of Loss.** To the extent permitted by applicable laws of the State, as between Lessor and Lessee, Lessee assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance relating to any Lease hereunder, for loss or damage to any Equipment and for injury to or death of any person or damage to any

property. Whether or not covered by insurance, Lessee hereby assumes responsibility for and agrees to release, defend, and hold harmless Lessor from all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses, including reasonable attorneys' fees, imposed on, incurred by or asserted against Lessor that relate to or arise out of this Agreement, including but not limited to, (a) the selection, manufacture, purchase, acceptance or rejection of Equipment or the ownership of the Equipment, (b) the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment, (c) the condition of the Equipment sold or otherwise disposed of after possession by Lessee, (d) the conduct of Lessee, its officers, employees and agents, (e) a breach of Lessee of any of its covenants or obligations hereunder, (f) any claim, loss, cost or expense involving alleged damage to the environment relating to the Equipment, including, but not limited to investigation, removal, cleanup and remedial costs, and (g) any strict liability under the laws or judicial decisions of any state or the United States. This provision shall survive the termination of this Agreement. Nothing in this Section 7.4 shall be deemed to obligate Lessee to spend any monies with regards to the matters set forth herein that are not properly appropriated, designated for such purposes (e.g. insurance proceeds, warranty payments, self-insurance, reserve or sinking funds, etc.) and/or otherwise legally available. Nothing herein shall be deemed to (a) create an unconstitutional or illegal obligation on the part of the Lessee and (b) be a waiver of any constitutional or statutory waivers, rights, immunities, or privileges. Any provision or requirement of the Agreement which is determined or to be illegal, invalid, or unconstitutional shall be stricken solely to the extent of such invalidity with the remainder of the provisions of the Agreement to be in full force and effect.

**Section 7.5. Destruction of Equipment.** Lessee shall provide a complete written report to Lessor immediately upon any loss, theft, damage or destruction of any Equipment and of any accident involving any Equipment. Lessor may inspect the Equipment at any time and from time to time during regular business hours. If all or any part of the Equipment is stolen, lost, destroyed or damaged beyond repair or taken by an exercise of eminent domain ("Damaged Equipment"), Lessee shall within thirty (30) days after such event either: (a) replace the same at Lessee's sole expense with equipment having substantially similar Specifications and of equal or greater value to the Damaged Equipment immediately prior to the time of the loss occurrence, such replacement equipment to be subject to Lessor's approval, whereupon such replacement equipment shall be substituted in the applicable Lease and the other related documents by appropriate endorsement or amendment; or (b) pay the applicable Prepayment Price of the Damaged Equipment determined as set forth in the related Equipment Schedule. Lessee shall notify Lessor of which course of action it will take within fifteen (15) days after the loss occurrence. If, within forty-five (45) days of the loss occurrence, (a) Lessee fails to notify Lessor; (b) Lessee and Lessor fail to execute an amendment to the applicable Equipment Schedule to delete the Damaged Equipment and add the replacement equipment or (c) Lessee has failed to pay the applicable Prepayment Price, then Lessor may, at its sole discretion, declare the applicable Prepayment Price of the Damaged Equipment, to be immediately due and payable from the Net Proceeds and any other legally available or proper appropriated funds. The Net Proceeds of insurance with respect to the Damaged Equipment shall be made available by Lessor to be applied to discharge Lessee's obligation under this Section.

## **ARTICLE VIII. OTHER OBLIGATIONS OF LESSEE**

**Section 8.1. Maintenance of Equipment.** Lessee shall notify Lessor in writing prior to moving the Equipment to another address and shall otherwise keep the Equipment at the address specified in the related Equipment Schedule. Lessee shall, at its own expense, maintain the Equipment in proper working order and shall make all necessary repairs and replacements to keep the Equipment in such condition including compliance with State and federal laws. Any and all replacement parts must be free of encumbrances and liens. All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Equipment and as such, shall be subject to the terms of this Agreement.

**Section 8.2. Taxes.** Lessee shall pay all taxes and other charges which are assessed or levied against the Equipment, the Rental Payments or any part thereof, or which become due during the Lease Term, whether assessed against Lessee or Lessor, except as expressly limited by this Section. Lessee shall pay all utilities and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment, and all special assessments and charges lawfully made by any governmental body that may be secured by a lien on the Equipment. Lessee shall not be required to pay any federal, state or local income, succession, transfer, franchise, profit, excess profit, capital stock, gross receipts, corporate, or other similar tax payable by Lessor, its successors or assigns, unless such tax is made as a substitute for any tax, assessment or charge which is the obligation of Lessee under this Section.

**Section 8.3. Advances.** If Lessee shall fail to perform any of its obligations under this Article, Lessor may take such action to cure such failure, including the advancement of money, and Lessee shall be obligated to repay all such advances on demand, with interest at the Default Rate from the date of the advance to the date of repayment.

## **ARTICLE IX. TITLE**

**Section 9.1. Title.** Except as may be modified on any Schedule hereto or solely if and to the extent as required by any

laws of the State, during the Lease Term, ownership and legal title of all Equipment and all replacements, substitutions, repairs and modification shall be in Lessee and Lessee shall take all action necessary to vest such ownership and title in Lessee. Lessor does not own the Equipment and by this Agreement and each Lease is merely financing the acquisition of such equipment for Lessee. Lessor has not been in the chain of title of the Equipment, does not operate, control or have possession of the Equipment and has no control over the Lessee or the Lessee's operation, use, storage or maintenance of the Equipment.

**Section 9.2. Security Interest.** Lessee hereby grants to Lessor a continuing, first priority security interest in and to the Equipment, all repairs, replacements, substitutions and modifications thereto and all proceeds thereof (including without limitation any Net Proceeds, warranty payments and guaranteed energy or other savings payments) and in the Escrow Account (if any) in order to secure Lessee's payment of all Rental Payments and the performance of all other obligations. Lessee hereby authorizes Lessor to prepare and file such financing statements and other such documents to establish and maintain Lessor's valid first priority lien and perfected security interest. Lessee will join with Lessor in executing such documents and will perform such acts as Lessor may request to establish and maintain Lessor's valid first priority lien and perfected security interest. Upon termination of a Lease through exercise of Lessee's option to prepay pursuant to Article V or through payment by Lessee of all Rental Payments and other amounts due with respect to an Equipment Group, Lessor's security interest in such Equipment Group shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may reasonably request (at the Lessee's sole cost and expense) to evidence the termination of Lessor's security interest in such Equipment Group.

**Section 9.3. Modification of Equipment.** Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

**Section 9.4. Personal Property.** Except as permitted by Lessor in writing in connection to any Equipment Schedules, the Equipment is and shall at all times be and remain personal property and not fixtures.

#### **ARTICLE X. WARRANTIES**

**Section 10.1. Selection of Equipment.** Each Vendor and all of the Equipment have been selected by Lessee. Lessor shall have no responsibility in connection with the selection of the Equipment, the ordering of the Equipment, its suitability for the use intended by Lessee, the acceptance by any Vendor or its sales representative of any order submitted, or any delay or failure by such Vendor or its sales representative to manufacture, deliver or install any Equipment for use by Lessee.

**Section 10.2. Vendor's Warranties.** Lessor hereby assigns to Lessee for and during the related Lease Term, all of its interest, if any, in all Vendor's warranties, guarantees and patent indemnity protection, express or implied issued on or applicable to an Equipment Group, and Lessee may obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessor has no obligation to enforce any Vendor's warranties or obligations on behalf of itself or Lessee.

**Section 10.3. Disclaimer of Warranties.** LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF A SIZE, DESIGN, CAPACITY, AND MANUFACTURE SELECTED BY LESSEE. LESSEE ACKNOWLEDGES THAT IT SELECTED THE EQUIPMENT WITHOUT ASSISTANCE OF LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT, AND DOES NOT INSPECT THE EQUIPMENT BEFORE DELIVERY TO LESSEE. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, QUALITY, DURABILITY, SUITABILITY, MERCHANT-ABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE EQUIPMENT. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EQUIPMENT OR LESSEE'S USE OF THE EQUIPMENT.

#### **ARTICLE XI. ASSIGNMENT AND SUBLEASING**

**Section 11.1. Assignment by Lessor.** Lessor, without Lessee's consent, may assign and reassign all of Lessor's right, title and/or interest in and to this Agreement or any Lease, including, but not limited to, the Rental Payments and other amounts payable by Lessee and Lessor's interest in the Equipment, in whole or in part to one or more assignees or subassignee(s) by Lessor at any time. No such assignment shall be effective as against Lessee unless and until written notice of the assignment is provided to Lessee. When presented with a notice of assignment, Lessee will acknowledge in writing receipt of such notice for the benefit of Lessor and any assignee. Lessee shall keep a complete and accurate record of all such assignments.

**Section 11.2. Assignment and Subleasing by Lessee.** Neither this Agreement, nor any Lease nor any Equipment may

be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee without Lessor's express prior written consent.

## **ARTICLE XII. EVENTS OF DEFAULT AND REMEDIES**

**Section 12.1. Events of Default Defined.** The occurrence of any of the following events shall constitute an Event of Default under this Agreement and each Lease:

- (a) Lessee's failure to pay, within ten (10) days following the due date thereof, any Rental Payment or other amount required to be paid to Lessor (other than by reason of Non-Appropriation).
- (b) Lessee's failure to maintain insurance as required by Article VII.
- (c) With the exception of the above clauses (a) & (b), Lessee's failure to perform or abide by any condition, agreement or covenant for a period of thirty (30) days after written notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration.
- (d) Lessor's determination that any representation or warranty made by Lessee in this Agreement was untrue in any material respect upon execution of this Agreement or any Equipment Schedule.
- (e) The occurrence of an Event of Taxability and Lessee's failure to comply with the provisions of Section 6.3(b).
- (f) The filing of a petition in bankruptcy by or against Lessee, or failure by Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessee to carry on its governmental functions or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of any adjustment of indebtedness of Lessee, or the dissolution or liquidation of Lessee.

**Section 12.2. Remedies on Default.** Upon the occurrence of any Event of Default, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies:

- (a) Lessor, with or without terminating this Agreement or any Lease, may declare all Rental Payments and the corresponding Prepayment Price due through the end of the current Fiscal Year to be immediately due and payable by Lessee, whereupon such Rental Payments and Prepayment Price shall be immediately due and payable, together with interest at the Default Rate, but solely from properly appropriated, legally available, or other funds designated for such purposes (e.g. insurance proceeds, warranty payments, self-insurance, guaranteed energy savings, reserve or sinking funds, etc.).
- (b) Lessor, with or without terminating this Agreement or any Lease, may repossess any or all of the Equipment by giving Lessee written notice to deliver such Equipment in the manner provided in Section 12.3; or in the event Lessee fails to do so within ten (10) days after receipt of such notice, Lessor may enter upon Lessee's premises where such Equipment is kept and take possession of such Equipment and charge Lessee for all actual and reasonable accrued costs incurred, including, without limitations, reasonable attorneys' fees and repossession and collection costs. Lessee hereby expressly waives any damages occasioned by such repossession except those resulting from Lessor's gross negligence or willful misconduct. If the Equipment or any portion has been destroyed, Lessee shall pay the applicable Prepayment Price of the destroyed Equipment as set forth in the related Payment Schedule, but solely from properly appropriated, legally available, or other funds designated for such purposes (e.g. insurance proceeds, warranty payments, self-insurance, reserve or sinking funds, etc.). Regardless of the fact that Lessor has taken possession of the Equipment, Lessee shall continue to be responsible for the Rental Payments due during the Fiscal Year.
- (c) If Lessor terminates this Agreement and/or any Lease and, in its discretion, takes possession and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all expenses incurred in completing the disposition; (iii) any sales or transfer taxes; (iv) the applicable Prepayment Prices of the Equipment Groups; (v) the balance of any Rental Payments owed by Lessee during the Fiscal Year then in effect; and (vi) interest on any of the foregoing at the Default Rate. Any disposition proceeds remaining after the requirements of Clauses (i), (ii), (iii), (iv), (v) and (vi) have been met shall be paid to Lessee.
- (d) Lessor may take any other remedy available, at law or in equity, with respect to such Event of Default, including those sounding in mandamus, specific performance/enforcement, or otherwise requiring Lessee to perform any of its obligations or to pay any moneys due and payable to Lessor, and Lessee shall pay all actual and reasonable attorneys' fees and other costs and expenses incurred by Lessor in enforcing any remedy permitted and exercised hereunder together with interest at the Default Rate.
- (e) Each of the foregoing remedies is cumulative and may be enforced separately or concurrently. All monetary damages and/or payment remedies set forth in this Section 12, shall be payable solely from properly appropriated, legally available, or other funds designated for such purposes (e.g. insurance proceeds, warranty payments, self-insurance, reserve or sinking funds, etc.). In no event shall the rights and remedies herein constitute a debt, illegal or unconstitutional undertaking of the Lessee or its governing body.

**Section 12.3. Return of Equipment: Release of Lessee's Interest.** Upon termination of any Lease prior to the



payment of all related Rental Payments or the applicable Prepayment Price (whether as result of Non-Appropriation or Event of Default), Lessee shall, within ten (10) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Article VIII; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; and (c) return such Equipment to a location specified by Lessor, freight and insurance prepaid by Lessee. If Lessee refuses to return such Equipment in the manner designated, Lessor may repossess the Equipment without demand or notice and without court order or legal process and charge Lessee the costs of such repossession. Upon termination of this Agreement in accordance with Article III or Article XII hereof, at the election of Lessor and upon Lessor's written notice to Lessee, full and unencumbered legal title and ownership of the Equipment shall pass to Lessor. Lessee shall have no further interest therein. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

**Section 12.4 Late Charge.** Lessor shall have the right to require late payment charge for each Rental or any other amount due hereunder which is not paid within 10 days of the date when due equal to the lesser of 5% of each late payment or the legal maximum. For any Rent Payment and other amount not paid within 30 days of the due date, Lessor shall have the right to resume interest thereof at the Default Rate which shall accrue from the due date. This Section is only applicable to the extent it does not affect the validity of this Agreement.

### **ARTICLE XIII. MISCELLANEOUS PROVISIONS**

**Section 13.1. Notices.** All written notices to be given under this Agreement shall be given by mail to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail in registered or certified form, with postage fully prepaid, or, if given by other means, when delivered at the address specified in this Section 13.1.

**Section 13.2. Binding Effect.** This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means any person or entity to which Lessor has assigned its right to receive Rental Payments under any Lease.

**Section 13.3. Severability.** In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 13.4. Entire Agreement; Amendments.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. This Agreement may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

**Section 13.5. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or Clauses hereof.

**Section 13.6. Further Assurances and Corrective Instruments.** Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Equipment hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Agreement. Lessee hereby authorizes Lessor to file any financing statement or supplements thereto as may be reasonably required for correcting any inadequate description of the Equipment hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Agreement.

**Section 13.7. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**Section 13.8. Usury.** It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Equipment Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of Interest or any amount in the nature of Interest or fees in excess of the maximum amount permitted by applicable law. Any such excess Interest or fees shall first be applied to reduce Principal, and when no Principal remains, refunded to Lessee. In determining whether the Interest paid or payable exceeds the highest lawful rate, the total amount of Interest shall be spread through the applicable Lease Term so that the Interest is uniform through such term.

**Section 13.9. Lessee's Performance.** A failure or delay of Lessor to enforce any of the provisions of this Agreement or any Lease shall in no way be construed to be a waiver of such provision.

**Section 13.10. Waiver of Jury Trial.** Except as prohibited by the laws and/or constitution of the State, Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising



out of this Agreement.

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**EXECUTION PAGE OF MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT**

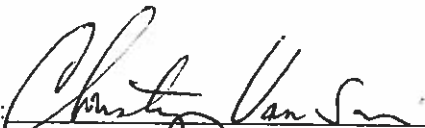
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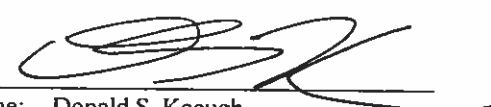
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IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

**COUNTY OF GLADWIN, MICHIGAN,**  
Lessee

**SIGNATURE PUBLIC FUNDING CORP.**  
Lessor

By:   
Name: Christy Van Tiem  
Title: County Treasurer  
Date: 7/23/19

By:   
Name: Donald S. Keough  
Title: Senior Managing Director  
Date:

Address: 401 West Cedar Avenue  
Gladwin, MI 48624

Address: 600 Washington Avenue, Suite 305  
Towson, MD 21204

Telephone: (989) 426-7251  
Facsimile:  
Email: [christy.vantiem@gmail.com](mailto:christy.vantiem@gmail.com)  
[spfinquiries@signatureNY.com](mailto:spfinquiries@signatureNY.com)

Telephone: 410-704-0027  
Facsimile: 646-927-4005  
Email:

Invoices:

Mail please 30 days prior to:

E-mail please [ ] days prior to: [christy.vantiem@gmail.com](mailto:christy.vantiem@gmail.com)

Address:

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. You acknowledge and agree to cooperate with any information that may be requested by us in order to comply with the United States Patriot Act, OFAC and/or BSA regulations. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Counterpart No. 2 of two manually executed and serially numbered counterparts. To the extent that this Master Agreement constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

## EXHIBIT A: LEASE SCHEDULE

### EQUIPMENT SCHEDULE 001 DATED JULY 24, 2019

This Equipment Schedule 001 dated as of July 24, 2019 ("Equipment Schedule") is made to and part of that certain Master Equipment Lease-Purchase Agreement dated as of July 24, 2019 (the "Master Agreement," and together with the Equipment Schedule, the "Lease"), and the terms, conditions and provisions of the Master Agreement (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules or if they are expressly superseded in this Equipment Schedule) are hereby incorporated into this Equipment Schedule by reference and made a part hereof. This Lease is a separate and individual instrument of lease.

#### 1. DESCRIPTION OF THE EQUIPMENT:

HVAC Energy Management Equipment, together with all accessories, attachments, substitutions, embedded software, replacements, additions, modifications, upgrades, and improvements thereto (collectively the "Equipment") accessions, installed and acquired pursuant to that Master Agreement for Operational and Energy Efficiency Upgrades dated June 25, 2019 (the "Vendor Contract") between Brano Enterprises (the "Vendor") and County of Gladwin, Michigan and financed by this Equipment Schedule dated July 24, 2019 to that Agreement dated June 24, 2019 by and between Signature Public Funding Corp. and the County of Gladwin, Michigan, including, without limitation, the following:

DESCRIPTION OF THE EQUIPMENT:	COST	ADDRESS
System Scope Gladwin County Courthouse Chiller Replacement	219,500.00	
Gladwin County Courthouse Boiler Replacement/Fan Coil Replacement/Asbestos Removal	389,750.00	
Gladwin County Courthouse Building Management System	149,500.00	
Gladwin County Courthouse LED Replacement	41,500.00	
Gladwin County Courthouse Window and Door Replacement	390,000.00	
Gladwin County Jail Boiler Replacement/Asbestos Removal	146,750.00	
Gladwin County Jail Building Management System	45,500.00	
Gladwin County Jail LED Upgrades	24,750.00	
Gladwin County Veterans Affairs Office Building Management System	25,500.00	
Gladwin County Veterans Affairs Office LED Upgrades	30,500.00	
Central Michigan District Health Department Building Management System	17,750.00	

Central Michigan Department  
of Health  
LED Upgrades

23,500.00

Gladwin County  
Engineered Drawings (By  
Certified Engineer)

31,250.00

1,535,750.00

2. **EQUIPMENT LOCATION:** The locations set forth above. The Lease Proceeds are being deposited into an Escrow Fund as of the Commencement Date, specific locations and items of Equipment will be as more fully set forth on each Disbursement Request Form and Acceptance Certificate provided in connection herewith and approved by Lessor.

3. **PAYMENT SCHEDULE:** The Rental Payments shall be made for the Equipment as follows:

Payment Number	Date Due	Total Rental Payment Due	Interest Component	Principal Component	Prepayment Price*
Loan	7/24/2019	1,335,750.00	0.00	0.00	1,375,822.50
1	1/24/2020	78,763.80	21,705.95	57,057.85	1,317,052.91
2	7/24/2020	78,763.80	20,778.75	57,985.05	1,257,328.31
3	1/24/2021	78,763.80	19,836.50	58,927.30	1,196,633.19
4	7/24/2021	78,763.80	18,878.93	59,884.87	1,134,951.78
5	1/24/2022	78,763.80	17,905.79	60,858.01	1,072,268.03
6	7/24/2022	78,763.80	16,916.86	61,846.94	1,008,565.68
7	1/24/2023	78,763.80	15,911.84	62,851.96	943,828.16
8	7/24/2023	78,763.80	14,890.50	63,873.30	878,038.66
9	1/24/2024	78,763.80	13,852.56	64,911.24	811,180.08
10	7/24/2024	78,763.80	12,797.75	65,966.05	743,235.05
11	1/24/2025	78,763.80	11,725.80	67,038.00	674,185.91
12	7/24/2025	78,763.80	10,636.43	68,127.37	604,014.72
13	1/24/2026	78,763.80	9,529.36	69,234.44	532,703.25
14	7/24/2026	78,763.80	8,404.30	70,359.50	460,232.96
15	1/24/2027	78,763.80	7,260.96	71,502.84	386,585.04
16	7/24/2027	78,763.80	6,099.04	72,664.76	311,740.34
17	1/24/2028	78,763.80	4,918.24	73,845.56	235,679.41
18	7/24/2028	78,763.80	3,718.24	75,045.56	158,382.48
19	1/24/2029	78,763.80	2,498.75	76,265.05	79,829.48
20	7/24/2029	78,763.80	1,259.45	77,504.35	0.00
<b>Grand Totals:</b>		<b>1,335,750.00</b>	<b>1,575,276.00</b>	<b>239,526.00</b>	<b>1,335,750.00</b>

\* Assumes that all rental payments and other amounts due on and prior to that date have been paid.

4. **INTEREST RATE:** 3.25 %

5. **COMMENCEMENT DATE:** JULY 24, 2019 Interest, if any, accruing from the Commencement Date to the actual date of funding shall be retained by Lessor as additional consideration for entering into this Equipment Schedule.

6. **SCHEDULED LEASE TERM:** 10 years

7. **OPTIONAL PREPAYMENT COMMENCEMENT DATE:** JULY 24, 2019.

8. **FISCAL YEAR:** Lessee's current Fiscal Year extends from July 1, 2019 and ends June 30, 2020.

9. Lessee hereby represents, warrants, and covenants that (i) its representations, warranties, and covenants set forth in the Master Equipment Lease-Purchase Agreement (particularly Paragraph 7 thereof) are true and correct as though made on the date of

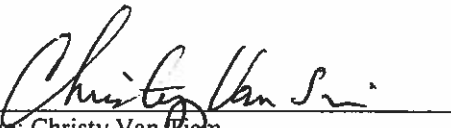
execution of this Equipment Schedule, and (ii) sufficient funds have been appropriated by Lessee for the payment of all Rental Payments due under this Lease during Lessee's current Fiscal Year. Funds for making Rental Payments are expected to come from the General Fund of the Lessee.

*[Signature Pages to Follow.]*

IN WITNESS WHEREOF, LESSOR AND LESSEE HAVE EXECUTED THIS EQUIPMENT SCHEDULE AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE

COUNTY OF GLADWIN, MICHIGAN  
as Lessee

SIGNATURE PUBLIC FUNDING CORP.,  
as Lessor

By:   
Name: Christy Van Vliet  
Title: County Treasurer

By:   
Name: Donald S. Keough  
Title: Senior Managing Director

Counterpart No. 2 of two manually executed and serially numbered counterparts. To the extent that this Equipment Schedule constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

## EXHIBIT B

### ACCEPTANCE CERTIFICATE

The undersigned, as Lessee, under Schedule No. 001 dated as of July 24, 2019 (the "Schedule") to that certain Master Equipment Lease-Purchase Agreement dated as of July 24, 2019 (the "Master," and together with the Schedule, the "Lease"), acknowledges receipt in good condition those certain units of the Equipment described in the Lease and more specifically listed on Annex I hereto as of the Acceptance Date set forth below. Capitalized terms used herein without definition shall be given their meaning in the Lease.

1. The units of Equipment listed on Annex I hereto represent a portion of the Equipment listed on the Schedule and to be acquired under the Lease. By its execution hereto, the Lessee represents and warrants that: (1) the Equipment listed on Annex I hereto has been delivered, installed and accepted on the date hereof; and (2) it has conducted such inspection and/or testing of the Equipment listed on Annex I hereto as it deems necessary and appropriate and hereby acknowledges that it unconditionally and irrevocably accepts the Equipment listed in Annex I hereto for all purposes. Lessee confirms that it will commence or continue to make Rental Payments in accordance with the terms of the Lease. Copies of invoices, proof of payment (if applicable), reimbursement resolutions (if applicable), and purchase orders and/or agreement have been attached with Annex I hereto. As applicable, the following documents are attached hereto and made a part hereof: (a) Original Invoice(s) and (b) Copies of Certificate(s) of Ownership, MSOs, or Certificates of Title, designating Lessor as first position lienholder, and (c) any other evidence of filing or documents attached hereto

2. Lessee hereby certifies and represents to Lessor as follows: (i) the representations and warranties in the Lease are true and correct as of the Acceptance Date; (ii) the Equipment is covered by insurance in the types and amounts required by the Lease; (iii) no Event of Default or Non-Appropriation, as those terms are defined in the Lease, and no event that with the giving of notice or lapse of time or both, would become an Event of Default or a Non-Appropriation, has occurred and is continuing on the date hereof; and (iv) sufficient funds have been appropriated by Lessee for the payment of all Rental Payments due under the Lease during Lessee's current Fiscal Year.

3. Lessee hereby authorizes and directs Lessor to fund the acquisition cost of the Equipment by paying, or directing the payment by the Escrow Agent (if applicable) of, the invoice prices to the Vendor(s), in each case as set forth above, or by reimbursing Lessee in the event such invoice prices have been previously paid by Lessee.

IF REQUEST IS FINAL REQUEST, CHECK HERE ☐. 4. **Final Acceptance Certificate.** The undersigned hereby certifies that the items of Equipment described above, together with the items of Equipment described in and accepted by Certificates of Acceptance and Disbursement Requests previously filed by Lessee with Lessor constitute all of the Equipment subject to the Lease. Lessee certifies that upon payment in accordance with paragraph 3 above, or direction to the Escrow Agent (if applicable) to make payment, Lessor shall have fully and satisfactorily performed all of its covenants and obligations under the Lease.

Accepted and certified this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. ("Acceptance Date")

COUNTY OF GLADWIN, MICHIGAN, as Lessee

By: \_\_\_\_\_  
Name: Christy Van Tiem  
Title: County Treasurer

**ANNEX I TO ACCEPTANCE CERTIFICATE**

<b>Payee</b>	<b>Vendor/ Manufacturer</b>	<b>Invoice or PO No.</b>	<b>VIN or MSN</b>	<b>Equipment Description</b>	<b>Location</b>	<b>Cost</b>



## EXHIBIT C-1

### INSURANCE CERTIFICATION

In connection with Equipment Schedule 001 dated July 24, 2019 to that certain Master Equipment Lease-Purchase Agreement dated July 24, 2019, COUNTY OF GLADWIN, MICHIGAN, as lessee (the "Lessee") certifies that it has instructed the insurance agent named below (please fill in name, address, and telephone number):

Name of Agent: mmrma  
Contact Person: \_\_\_\_\_  
Address: 14501 Merriman Rd. Livonia MI 48154  
Phone: 734-513-0300  
E-mail: \_\_\_\_\_  
to issue: \_\_\_\_\_

*Liability Insurance.* Lessee is required to maintain public liability insurance, personal injury and property damage with minimum policy limits of \$1,000,000/occurrence and \$3,000,000/aggregate. The policy should be endorsed to name Signature Public Funding Corp., and its successors and assigns as additional insured's.

*Casualty Insurance.* Lessee is required to maintain all risk extended coverage, malicious mischief and vandalism insurance for the Equipment described in the above-referenced Equipment Schedule in an amount not less than the greater of \$1,375,822.50 or the full replacement cost of the Equipment. Such insurance shall be endorsed to name Signature Public Funding Corp., and its successors and assigns as loss payees with respect to such Equipment.

The required insurance should also be endorsed to give Signature Public Funding Corp. at least 30 days prior written notice of the effective date of any material alteration or cancellation of coverage, and an endorsement confirming that the interest of Signature Public Funding Corp. shall not be invalidated by any actions, inactions, breach of warranty or conditions or negligence of Lessee.

Proof of insurance coverage will be provided to Signature Public Funding Corp. prior to and/or commensurate with the: **the release of any funds from the Escrow Account.** Proof of coverage will be mailed to: Signature Public Funding Corp., Attn: Tonia Lee, 600 Washington Avenue, Suite 305, Towson, MD 21204 or sent via e-mail to [tle@signatureny.com](mailto:tle@signatureny.com).

Very truly yours,

COUNTY OF GLADWIN, MICHIGAN, as Lessee

By: 

Name: Christy Van Tiem

Title: County Treasurer

EXHIBIT D

ESSENTIAL USE CERTIFICATE

July 24, 2019

Signature Public Funding Corp.  
600 Washington Avenue, Suite 305  
Towson, Maryland 21204

Re: Equipment Schedule No. 001 dated July 24, 2019 to that certain  
Master Equipment Lease-Purchase Agreement dated July 24, 2019 (the "Lease")

I, Christy Van Tiem, am the duly and validly appointed /or elected County Treasurer and designated representative of the County of Gladwin, Michigan, as lessee (the "Lessee"). I am qualified to answer the questions set forth below regarding the Equipment to be acquired by Lessee in connection with the above-referenced Lease Agreement:

1. What is the specific use of the Equipment?  
energy efficiency and HVAC repairs
2. What increased capabilities will the Equipment provide?  
We currently have no air conditioning and our windows leak. In the winter the windows let cold air in and the furnace
3. Why is the Equipment essential to your ability to deliver governmental services?  
See above... to allow employees to doesn't work to heat the offices  
work in a safe environment.
4. Does the Equipment replace existing equipment?  
(If so, please explain why you are replacing the existing equipment)  
Yes, current equipment isn't functioning
5. Why did you choose this specific Equipment?  
By RFP - posted for sealed bid.
6. For how many years do you expect to utilize the Equipment?  
approximately 30 years

Very truly yours,  
COUNTY OF GLADWIN, MICHIGAN, as Lessee

By:   
Name: Christy Van Tiem  
Title: County Treasurer


## EXHIBIT E

### INCUMBENCY CERTIFICATE

I, Laura Brando-Maveal, do hereby certify that I am the County Clerk of the County of Gladwin, Michigan, which is a County duly established and validly existing as a political subdivision of the State under the Constitution and laws of the State, and that I have custody of the records of such entity.

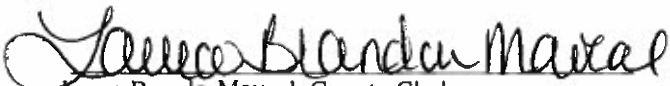
I hereby certify that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the District holding the offices set forth opposite their respective names. I further certify that:

- (i) The signatures set opposite their respective names and titles are their true and authentic signatures, and
- (ii) Such officers have the authority on behalf of such entity to:
  - a. Enter into that certain Equipment Schedule No. 001 dated July 24, 2019 to that certain Master Equipment Lease-Purchase Agreement dated July 24, 2019 (collectively, the "*Lease Agreement*"), between the County of Gladwin, Michigan, as lessee, and Signature Public Funding Corp., as lessor, and
  - b. Enter into that certain Escrow Deposit Agreement dated July 24, 2019 (the "*Escrow Agreement*"); and
  - c. Execute Certificates of Acceptance, Disbursement Request Forms, and all other certificates documents, and agreements relating to the Lease Agreement and Escrow Agreement.

NAME	TITLE	SIGNATURE
Christy Van Tiem	County Treasurer	

IN WITNESS WHEREOF, I have duly executed this Certificate on behalf of the County of Gladwin, Michigan.

July 24, 2019

  
Laura Brando-Maveal, County Clerk  
Laura Brando-Maveal

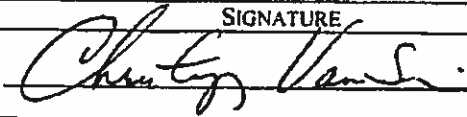
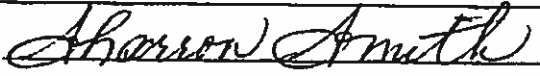
## EXHIBIT E

### INCUMBENCY CERTIFICATE

I, Laura Brando-Maveal, do hereby certify that I am the County Clerk of the County of Gladwin, Michigan, which is a County duly established and validly existing as a political subdivision of the State under the Constitution and laws of the State, and that I have custody of the records of such entity.

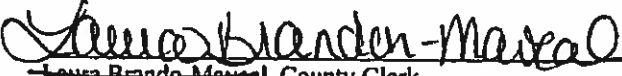
I hereby certify that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the District holding the offices set forth opposite their respective names. I further certify that:

- (i) The signatures set opposite their respective names and titles are their true and authentic signatures, and
- (ii) Such officers have the authority on behalf of such entity to:
  - a. Enter into that certain Equipment Schedule No. 001 dated July 24, 2019 to that certain Master Equipment Lease-Purchase Agreement dated July 24, 2019 (collectively, the "*Lease Agreement*"), between the County of Gladwin, Michigan, as lessee, and Signature Public Funding Corp., as lessor, and
  - b. Enter into that certain Escrow Deposit Agreement dated July 24, 2019 (the "*Escrow Agreement*"); and
  - c. Execute Certificates of Acceptance, Disbursement Request Forms, and all other certificates documents, and agreements relating to the Lease Agreement and Escrow Agreement.

NAME	TITLE	SIGNATURE
Christy Van Tiem	County Treasurer	
Sharon Smith	Chairperson	

IN WITNESS WHEREOF, I have duly executed this Certificate on behalf of the County of Gladwin, Michigan.

July 24, 2019

  
Laura Brando-Maveal, County Clerk  
Laura Brando-Maveal

# DREYER HOVEY & POST, PLLC

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## LAW OFFICES

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DAVID J. DREYER · TARA S. HOVEY  
IZAK J. POST

E-mail: [law@clarecountylaw.com](mailto:law@clarecountylaw.com)

195 W. MAIN · P.O. BOX 649  
HARRISON, MICHIGAN 48625  
TELEPHONE (989) 539-7134  
FAX (989) 539-1404

July 24, 2019

Signature Public Funding Corp.  
600 Washington Avenue, Suite 305  
Towson, Maryland 21204

Re: Equipment Schedule No. 001 dated July 24, 2019 to that certain  
Master Equipment Lease-Purchase Agreement dated July 24, 2019

Ladies and Gentlemen:

As counsel to the County of Gladwin, Michigan (the "*Lessee*"), I have examined the Master Equipment Lease-Purchase Agreement dated July 24, 2019 and Equipment Schedule No. 001 thereto dated July 24, 2019 (collectively, the "*Lease Agreement*"), between the Lessee and Signature Public Funding Corp., as lessor ("*Lessor*"), the Escrow Deposit Agreement dated July 24, 2019, together the Disbursement Request Form and Certificate of Acceptance (collectively, the "*Escrow Agreement*"), and the proceedings taken by the Governing Body of the Lessee to authorize on behalf of the Lessee the execution and delivery of the Lease Agreement and the Escrow Agreement. The Lease Agreement and the Escrow Agreement together with all other exhibits, certificates, and deliverables provided in connection therewith are herein collectively referred to as the "*Transaction Documents*." Based upon the foregoing examination and upon an examination of such other documents and matters of law as I have deemed necessary or appropriate, I am of the opinion that:

1. The Lessee is a County of the State of Michigan, which is a duly established and validly existing as a political subdivision of the State of Michigan under the Constitution and laws of the State of Michigan with full power and authority to enter into the Transaction Documents.

2. The Transaction Documents have each been duly authorized, executed, and delivered by the Lessee and are in full compliance with all local, state and federal laws. Assuming due authorization, execution and delivery thereof by Lessor, the Transaction Documents constitute legal, valid, and binding obligations of the Lessee, enforceable against the Lessee in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. The execution of the Transaction Documents and the appropriation of monies due under the Lease Agreement will not result in the violation of any constitutional, statutory or limitation relating to the manner, form or amount of indebtedness which may be incurred by the Lessee.

3. The Equipment to be leased pursuant to the Lease Agreement constitutes personal property and, when subjected to use by the Lessee, will not be a fixture under applicable law.

4. The Lessee has complied with all applicable statutes, laws, rules, regulations, notice and public bidding requirements, including, without limitation, MCL 46.11c, in connection with the Transaction Documents and the transactions contemplated thereby. The resolution adopted by the Governing Body of

the Lessee authorizing the execution and delivery of the Transaction Documents and certain other matters was adopted at a meeting that was held in compliance with all applicable laws relating to the holding of open and public meetings. No approval, consent or withholding of objections is required from any State, federal or local governmental authority or instrumentality with respect to the entry into or performance by Lessee of its obligations under the Transaction Documents, except as have already been obtained.

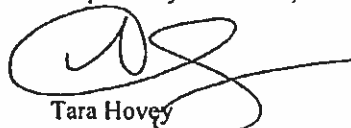
5. No litigation or proceeding is pending or, to the best of my knowledge, threatened to restrain or enjoin the execution, delivery, or performance by the Lessee of the Transaction Documents or in any way to contest the validity of the Transaction Documents, to contest or question the creation or existence of the Lessee or the governing body of the Lessee or the authority or ability of the Lessee to execute or deliver the Transaction Documents or to comply with or perform its obligations thereunder. There is no litigation pending or, to the best of my knowledge, threatened seeking to restrain or enjoin the Lessee from annually appropriating sufficient funds to pay the rental payments or other amounts contemplated by the Lease Agreement. The entering into and performance of the Transaction Documents do not and will not violate any judgment, order, law, or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest, or other encumbrance upon any assets of the Lessee or on the Equipment (as such term is defined in the Lease Agreement) pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement, or other instrument to which the Lessee is a party or by which it or its assets may be bound.

6. The Lessee has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income taxation under the Internal Revenue Code of 1986, as amended ("Code"), of the portion of the Rental Payments designated as interest. In the event that the Lessee continuously complies with its covenants under the Transaction Documents and so long as the amounts payable to the Lessor are derived from the Rental Payments made by the Lessee, the portion of the Rental Payments designated as interest is not includible in gross income for federal income tax purposes under the current law. Except as set forth in paragraphs 6 and 7 herein, I express no opinion regarding the federal tax consequences arising with respect to the Lease Agreement.

7. The Lessee has validly designated the Lease as a "qualified tax exempt obligation" as defined in and for the purposes of Section 265(b)(3) of the Code.

This opinion may be relied upon by purchasers and assignees of Lessor's interests in the Lease Agreement.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tara Hovey', is written over a circular stamp or seal.

Tara Hovey  
Gladwin County  
Corporate Counsel

## EXHIBIT G

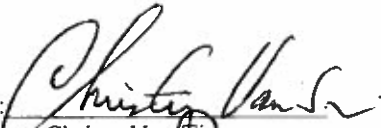
### BANK-QUALIFIED DESIGNATION

The COUNTY OF GLADWIN, MICHIGAN, as lessee, (the "*Lessee*") under Equipment Schedule No. 001 dated as of July 24, 2019 to that certain Master Equipment Lease-Purchase Agreement dated as of July 24, 2019 (collectively, the "*Lease*") to which this Designation is attached, hereby designates the Lease as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Lessee hereby represents that the Lessee reasonably anticipates that the Lessee and other entities that the Lessee controls will not issue tax-exempt obligations (including the Lease) the aggregate principal amount of which exceed \$10,000,000 during the calendar year in which the Lease is executed and delivered and interest commences to accrue thereunder.

This Designation is attached to and made a part of the Lease and inures to the benefit of the Lessor and its successors and/or assigned.

EXECUTED as of this 24 day of July, 2019.

COUNTY OF GLADWIN, MICHIGAN, as Lessee

By:   
Name: Christy Van Tien  
Title: County Treasurer

## EXHIBIT H

### TAX CERTIFICATE

Dated: July 24, 2019

The following certificate is delivered in connection with the execution and delivery of Equipment Schedule No. 001 dated July 24, 2019 to that certain Master Equipment Lease-Purchase Agreement dated July 24, 2019 (collectively, the "Lease Agreement"), entered into between the County of Gladwin, Michigan (the "Lessee") and Signature Public Funding Corp. (the "Lessor"). Capitalized terms used herein have the meanings defined in the Lease Agreement.

#### Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Equipment Schedule executed under the Agreement (together with all related documents executed pursuant thereto and contemporaneously herewith, the "Financing Documents"). As described in the Financing Documents, Lessor shall apply \$1,335,750.00 (the "Principal Amount") toward the acquisition of the Equipment and closing costs, and Lessee shall make Rental Payments under the terms and conditions as set forth in the Financing Documents.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents, pursuant to the resolution or other official action of Lessee adopted with respect to the Financing Documents, a copy of which has been delivered to Lessor.

1.3. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Schedule. The Principal Amount will be deposited in escrow by Lessor on the date of issuance of the Financing Documents and held by Signature Bank, as escrow agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Deposit Agreement dated as of July 24, 2019 (the "Escrow Agreement"), by and between Lessor and Escrow Agent.

1.4 Lessee will timely file for each payment schedule issued under the Lease a Form 8038-G (or, if the invoice price of the Equipment under such schedule is less than \$100,000, a Form 8038-GC) relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

1.5 The Equipment Schedule No. is a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. As such, the Lessee hereby represents that the Lessee reasonably anticipates that the Lessee and other entities that the Lessee controls will not issue tax-exempt obligations (including the Equipment Schedule) the aggregate principal amount of which exceed \$10,000,000 during the calendar year in which Equipment Schedule is executed and delivered and interest commences to accrue thereunder.

#### Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Financing Documents or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the date of issuance of the Financing Documents, (ii) issued or sold pursuant to a common plan of financing with the Financing Documents and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Financing Documents.

2.3. Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Financing Documents.



2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Financing Documents.

### **Section 3. Disbursement of Funds; Reimbursement to Lessee.**

3.1 It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the Vendors or manufacturers thereof or for any financial advisory or closing costs, provided that, if applicable, a portion of the principal amount may be paid to Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

### **Section 4. Use and Investment of Funds; Temporary Period.**

4.1. Lessee has incurred or will incur, within six (6) months from the date of issuance of the Financing Documents, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the date of this Certificate. No portion of the Principal Amount will be used to acquire investments that do not carry out the governmental purpose of the Financing Documents and that have a substantially guaranteed yield of four (4) years or more.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount deposited under the Escrow Agreement to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by July 24, 2019, but not later than December 24, 2020.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Financing Documents or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the date of issuance of the Financing Documents; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the date of issuance of the Financing Documents; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment prior to eighteen (18) months from the date of issuance of the Financing Documents.

(c) Lessee hereby covenants that (i) Lessee is a governmental unit with general tax powers; (ii) the Lease is not a "private activity bond" under Section 141 of the Code; (iii) at least ninety-five percent (95%) of the Principal Amount is used for the governmental activities of Lessee; and (iv) the aggregate principal amount of all tax-exempt obligations (including the Lease) issued by Lessee and its subordinate entities, if any, during the current calendar year is not reasonably expected to exceed \$5,000,000. Accordingly, the rebate requirements of Section 148(f) of the Code are treated as being met, in lieu of the spending exceptions set forth in paragraph (b) above.

#### **Section 5. Escrow Account.**

The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the Vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the Equipment. Lessee acknowledges that the provisions of Sections 2 and 4 herein are particularly applicable when the Principal Amount is funded into an Escrow Fund subject to the Escrow Agreement.

#### **Section 6. No Private Use; No Consumer Loan.**

6.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest in payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

6.2. In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 6.3, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

6.4. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

#### **Section 7. No Federal Guarantee.**

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

#### **Section 8. Miscellaneous.**

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Financing Documents.

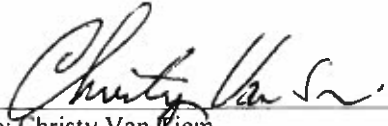
8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

8.4. The Lessee confirms and acknowledges that its true and correct tax identification number is: 38-6004850 and full, true and correct legal name is "County of Gladwin, Michigan."

8.5. The Lessee has adopted, by resolution, separate written procedures regarding ongoing compliance with federal tax requirements necessary to keep, ensure and maintain the interest portions of the Rental Payments under the Financing Documents as excluded from Lessor's gross income for federal income tax purposes, and will, on an annual basis, conduct an audit of the Financing Documents to ensure compliance with such procedures.

IN WITNESS WHEREOF, this Tax & Arbitrage Certificate has been executed on behalf of Lessee as of July 24, 2019.

COUNTY OF GLADWIN, MICHIGAN

By: 

Name: Christy Van Nieuwen

Title: County Treasurer

**EXHIBIT I:**

**ESCROW DEPOSIT AGREEMENT**

## FORM OF RESOLUTION

RESOLUTION NO. 62019-017 OF THE GOVERNING BODY OF THE COUNTY OF GLADWIN, MICHIGAN, AUTHORIZING, PURSUANT TO THE MCL 46.116 (COLLECTIVELY, "AUTHORIZING LAW"), THE INCURRING OF LEASE OBLIGATIONS IN ANY AMOUNT NOT TO EXCEED \$1,335,750.00 TO BE EVIDENCED BY THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT, AN ESCROW AGREEMENT AND AN EQUIPMENT SCHEDULE WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING, AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the County of Gladwin, Michigan (the "Lessee"), a body politic and corporate duly organized and existing as a political subdivision of the State of Michigan, is authorized by the laws of the State of Michigan to purchase, acquire, and lease personal property for the benefit of the Lessee and those it provides services to and to enter into contracts with respect thereto;

WHEREAS, the Lessee desires to purchase, acquire and lease certain equipment constituting personal property necessary for the Lessee to perform essential governmental functions; including without limitation various HVAC and other energy conservation measures purchased from and installed by Branro Enterprises and all other equipment Lessee or its Designated Officers may deem necessary and/or desirable (the "Equipment") in an amount not more than \$1,335,750.00, and the Lessee hereby finds and determines that the realistic estimated useful life of the Equipment is at least fifteen (15) years.

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into a Master Equipment Lease Purchase Agreement dated as of July 24, 2019 (together with the Equipment Schedule dated as of July 24, 2019 and all related exhibits, schedules, and certificates attached thereto, the "Lease Agreement") with Signature Public Funding Corp. (the "Lessor") and one Escrow Agreement (together the Disbursement Request Form and Acceptance Certificate, the "Escrow Agreement", and together with the Lease Agreement, the "Transaction Documents") with the Lessor and Signature Bank, as escrow agent, the forms of which have been presented to the Governing Body of the Lessee at this meeting;

WHEREAS, the Governing Body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Transaction Documents for the purchase, acquisition, and leasing of the Equipment to be therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT RESOLVED AND ENACTED by the Governing Body of the County of Gladwin, Michigan as follows:

*Section 1. Approval of Documents.* The Governing Body of the Lessee hereby approves the form, terms and provisions of the Transaction Documents in substantially the forms presented to this meeting and authorizes and directs Christy Van Tiem, County Treasurer, Laura Brando-Maveal, County Clerk of the County of Gladwin, Michigan, and such other persons as he/she/they may delegate (the "Designated Officers"), and each of them individually, for and in the name of and on behalf of the Lessee, to execute, attest, seal, and deliver the Transaction Documents, and any related Certificate, Exhibits, or other documents attached thereto substantially in such forms as presented herewith, together with such changes, modification, negotiations, insertions, revisions, corrections, or amendments as shall be approved by the officer executing them. The execution of the foregoing by a Designated Officer shall constitute conclusive evidence of such officer's and the Governing Body's approval of any such changes, insertions, revisions, corrections, negotiations, or amendments to the respective forms of agreements presented to this meeting.

*Section 2. Other Actions Authorized.* The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Transaction Documents to carry out, give effect to, and consummate the transactions contemplated thereby (including the execution and delivery of Certificates of Acceptance and Disbursement/Payment Requests, Notice and Acknowledgements of Assignments, and any tax certificate and agreement, each with respect to and as contemplated in the Agreement and/or Escrow Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Transaction Documents. The Designated Officers and all other officers and employees of the Lessee are hereby directed and authorized to take and shall take all action necessary or reasonably required in order to select, purchase, and take delivery of the Equipment. All actions heretofore taken by officers, employees, and agents of the Lessee that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

*Section 3. No General Liability.* Nothing contained in this Resolution No. 2019-017, the Transaction Documents, nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution No. 2019-017 the Transaction Documents, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, payable from the general and current revenues of the Lessee as provided therein.

*Section 4. Appointment of Authorized Lessee Representatives.* The Designated Officers are each hereby designated to act as authorized representatives of the Lessee for purposes of the Transaction Documents until such time as the Governing Body of the Lessee shall designate any other or different authorized representative for purposes of the Transaction Documents.

*Section 5. Severability.* If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution No. 2019-017.


*Section 6. Repealer.* All bylaws, orders, and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution, or ordinance or part thereof.

*Section 7. Qualified Tax Exempt Obligations.* The Lessee, and its Governing Body, designate its obligations under the Lease Agreements as "qualified tax exempt obligations" as defined in and for the purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended./Reserved.


*Section 9. Effective Date.* This Resolution 2019-017 shall be effective immediately upon its approval and adoption.

The foregoing Resolution was duly passed and adopted at a meeting of the County Council (the "Governing Body") of County of Gladwin, Michigan held on July 23, 2019, by the following vote:

AYES: 5  
NOES: 0  
ABSENT: 0  
ABSTAIN: 0

  
Presiding Officer Ryland L. Taylor  
Vice-Chairman

ATTEST:

By:   
Laura Brandon-Maveal, County Clerk  
Laura Brandon-Maveal

**Information Return for Tax-Exempt Governmental Bonds**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

OMB No. 1545-0720

**Part I Reporting Authority**If Amended Return, check here ☐

1 Issuer's name <b>County of Gladwin, Michigan</b>		2 Issuer's employer identification number (EIN) <b>38-6004850</b>
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) <b>Laura Brandon-Maveal</b>		3b Telephone number of other person shown on 3a <b>989-426-7351 x6</b>
4 Number and street (or P.O. box if mail is not delivered to street address) <b>401 West Cedar Avenue</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>
6 City, town, or post office, state, and ZIP code <b>Gladwin, MI 48624</b>		7 Date of issue <b>7/24/2019</b>
8 Name of issue <b>Master Equipment Lease Purchase Agreement dated July 24, 2019</b>		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

**Part II Type of Issue (enter the issue price). See the instructions and attach schedule.**

11 Education	11	
12 Health and hospital	12	
13 Transportation	13	
14 Public safety	14	
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	1,335,750
18 Other. Describe ►	18	
19a If bonds are TANs or RANs, check only box 19a		<input type="checkbox"/>
b If bonds are BANs, check only box 19b		<input type="checkbox"/>
20 If bonds are in the form of a lease or installment sale, check box		<input type="checkbox"/>

**Part III Description of Bonds. Complete for the entire issue for which this form is being filed.**

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	7/24/2029	\$ 1,335,750	\$ 0.00	5.518 years	3.25 %

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22 Proceeds used for accrued interest	22	
23 Issue price of entire issue (enter amount from line 21, column (b))	23	1,335,750
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	
28 Proceeds used to refund prior taxable bonds. Complete Part V	28	
29 Total (add lines 24 through 28)	29	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	1,335,750

**Part V Description of Refunded Bonds. Complete this part only for refunding bonds.**

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	

**Part VI Miscellaneous**

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . **36a**
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) \_\_\_\_\_
- c** Enter the name of the GIC provider ► \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) \_\_\_\_\_
- c** Enter the EIN of the issuer of the master pool bond ► \_\_\_\_\_
- d** Enter the name of the issuer of the master pool bond ► \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ► ☒
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► \_\_\_\_\_
- c** Type of hedge ► \_\_\_\_\_
- d** Term of hedge ► \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ► ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ► ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement . . . . . ► \_\_\_\_\_
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) \_\_\_\_\_

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

*Laura Brandon-Maveal* 7-23-2014 *Laura Brandon-Maveal*  
 Signature of issuer's authorized representative Date Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►			
Firm's address ►	Phone no.			



## CLOSING MEMORANDUM

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**\$1,335,750.00 LEASE OF ENERGY MANAGEMENT EQUIPMENT  
PURSUANT TO SCHEDULE NO. 001 DATED JULY 24, 2019 TO THAT CERTAIN  
MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT DATED JULY 24, 2019  
BETWEEN COUNTY OF GLADWIN, MICHIGAN, AS LESSEE, AND  
SIGNATURE PUBLIC FUNDING CORP., AS LESSOR**

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**Pre-Closing:** All documents will be executed and two (2) blue ink originals will be overnighted to Signature Public Funding Corp., Attn: Ms. Tonia Lee, 600 Washington Avenue, Suite 305, Towson, Maryland 21204, for delivery no later than 9:00 am on the morning of July 24, 2019 and held in trust until such time as the wires and original documents are released by the Parties.

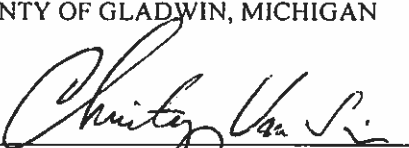
**Closing:** By wire transfer and pending receipt of original, executed Lease Documents, on the morning of July 24, 2019, Lessor is authorized by Lessee to wire the following Total Lease Proceeds as defined below, pursuant to the Wire Instructions as follows:

Bank Name:	Signature Bank
ABA No:	026013576
Account No:	<u>1503492924</u>
Account Name:	_____
F/B/O:	_____
Attn:	_____
Amount of Wire:	<u>\$1,335,750.00</u>
Reference:	_____

**TOTAL DISBURSEMENT: \$1,335,750.00**

and each of the Parties will confirm by e-mail receipt of funds and then the release of all original documents held in trust, when such funds and/or documents are in the possession of each of the Parties.

COUNTY OF GLADWIN, MICHIGAN

By:   
Name: Christy Van Tiem  
Title: County Treasurer

**Tab 2**  
**2018 Tax Note, Series 2019**  
**Gladwin County**

**529 Tax Revolving (2018 Delq Taxes)**  
**Chemical Bank Note**

Date	Description	JE #	Principal 529-000-307-000	Interest 529-000-995-000	Total Payment	Borrowed 527-000-198-000	Borrowed 526-000-198-000	Total Owed
05/30/19	Beginning Balance		2,300,000.00			200,000.00	50,000.00	2,550,000.00
06/14/19	June Tax Note Payment	9*7901	(340,000.00)	(3,736.22)	(343,736.22)			2,210,000.00
07/15/19	July Tax Note Payment	9*7963	0.00	(5,521.08)	(5,521.08)			2,210,000.00
08/15/19	August Tax Note Payment	9*8065	(435,000.00)	(5,374.29)	(440,374.29)			1,775,000.00
09/13/19	September Tax Note Payment	9*8072	(200,000.00)	(4,018.54)	(204,018.54)			1,575,000.00
10/09/19	October Tax Note Payment	9*8210	(170,000.00)	(3,346.60)	(173,346.60)			1,405,000.00
11/15/19	November Tax Note Payment	9*8318	(145,000.00)	(2,759.97)	(147,759.97)			1,260,000.00
12/15/19	December Tax Note Payment	9*8334	(100,000.00)	(2,283.97)	(102,283.97)			1,160,000.00
01/10/20	January Tax Note Payment	9*8462	(120,000.00)	(2,073.95)	(122,073.95)			1,040,000.00
02/14/20	February Tax Note Payment	9*8515	(275,000.00)	(1,743.10)	(276,743.10)			765,000.00
03/16/20	March Tax Note Payment	9*8624	(375,000.00)	(1,131.71)	(376,131.71)			390,000.00
04/15/20	Advance to Pay tax note	9*8689					45,000.00	435,000.00
04/15/20	April Tax Note Payment	9*8697	(140,000.00)	(2.30)	(140,002.30)			295,000.00
06/23/20	Partial Repay Advance	9*8751					(50,000.00)	245,000.00
07/15/20	Partial Repay Advance	9*8827					(45,000.00)	200,000.00
10/07/20	Partial Repay Advance	9*9022				(150,000.00)		50,000.00
10/26/20	Partial Repay Advance	9*9066				(50,000.00)		0.00
								0.00
	Borrowed from other tax years							0.00
								0.00
								0.00
								0.00
								0.00
								0.00
								0.00
								0.00
	Debt owed for Delq Taxes		0.00			0.00	0.00	0.00
	Total Paid to Date		(2,300,000.00)	(31,991.73)	(2,331,991.73)	(200,000.00)	(50,000.00)	TRUE

HUNTINGTON NATIONAL BANK  
40 PEARL NW, STE 600  
GRAND RAPIDS, MI 49503

The Huntington Private Client Group

DECEMBER 01, 2019 TO DECEMBER 31, 2019

ACCOUNT NAME: GLADWN 19NT  
ACCOUNT NUMBER: 3584229005



COUNTY OF GLADWIN  
ATTN: COUNTY TREASURER  
401 W. CEDAR AVENUE  
GLADWIN, MI 48624

ACCOUNT NAME: COUNTY OF GLADWIN - 2019 GENERAL  
OBLIGATION LIMITED TAX NOTE -  
PAYING AGENT - UAD 05/30/2019

RELATIONSHIP: PATRICK J O'DONNELL  
MANAGER: 616-771-6210  
PATRICK.J.ODONNELL@HUNTINGTON.COM

INVESTMENT: CORP TR DOC GOV INV  
OFFICER:

ACCOUNT SUMMARY

	THIS PERIOD	YEAR TO DATE	REALIZED CAPITAL GAINS / LOSSES		
				THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	0.00	0.00			
OTHER CASH RECEIPTS	102,283.97	1,417,040.67			
DISBURSEMENTS AND FEES	102,283.97-	1,417,040.67-			
ENDING MARKET VALUE	0.00	0.00			
			TOTAL GAINS / LOSSES	0.00	0.00

The Huntington Private Client Group **PAGE 2**

DECEMBER 01, 2019 TO DECEMBER 31, 2019

ACCOUNT NAME: GLADWN 19NT  
ACCOUNT NUMBER: 3584229005

**PORTFOLIO DETAIL**

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
GRAND TOTAL ASSETS		0.00	0.00	0.00

**TRANSACTION DETAIL**

DATE	QUANTITY	DESCRIPTION	TRANSACTION TYPE	CASH	COST BASIS
12/01/19		BEGINNING BALANCE		0.00	0.00
12/13/19		CASH DEPOSIT FROM GLADWINCO19 Debt Serv Due: 12/15/2019 GLADWINCO19	CASH RCVD	102,283.97	
12/16/19		TRANSFERRED TO ACCOUNT 1599001401 Bond Master Account Debt Serv Due: 12/15/2019 GLADWINCO19	CASH PD OUT	102,283.97-	
12/31/19		ENDING BALANCE		0.00	0.00



COUNTY OF GLADWIN

\$2,300,000

General Obligation Limited Tax Notes,  
Series 2019

Dated and Closed: May 30, 2019

PROCEEDINGS AND CLOSING TRANSCRIPT

Index

1. Resolution to Establish a Delinquent Tax Revolving Fund
2. Resolution to Borrow Against Anticipated Delinquent 2018 Real Property Taxes
3. Bid
4. Order Awarding Notes
5. Certificate of County Clerk
6. Certificate of County Treasurer
7. Note Counsel Opinion Letter
8. Nonlitigation Certificate
9. Receipt of County Treasurer
10. Certificate of Original Purchaser
11. Specimen Note
12. Treasury Filing Under Agency Reporting Act

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF GLADWIN  
GENERAL OBLIGATION LIMITED TAX NOTE, SERIES 2019

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>
Variable	November 15, 2020	May 30, 2019

Registered Owner: Chemical Bank  
Midland, Michigan

Principal Amount: \*\*\*\*\*\$2,300,000\*\*\*\*\*

The County of Gladwin, State of Michigan, acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the maturity date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this note at the corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, the note registrar and paying agent, and to pay to the Registered Owner of this note, as shown on the books kept for registration thereof as of the close of business on the first day of the calendar month in which an interest payment is due, by check or draft drawn upon and mailed by the note registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount until the County's obligation with respect to the payment of such Principal Amount is discharged at the rate per annum described below. Interest is payable on the fifteenth day of each month or first Business Day (as hereinafter defined) thereafter if said fifteenth day is not a Business Day (each an "Interest Payment Date") commencing on June 15, 2019. Principal and interest are payable in lawful money of the United States of America.

Interest on this note will be payable at rate of 3.44% per annum from the Date of Original Issue through June 15, 2019. Thereafter, interest on this note will be payable at a Variable Rate (as described below) reset monthly until payment in full of this note. The Variable Rate shall be determined on the first Business Day of each Interest Period (as hereinafter defined) and shall be the rate that is equal to the sum of (i) ninety-nine hundredths of one percent (.99%), plus (ii) the per annum rate of interest at which deposits in U. S. Dollars for a one month period are offered to prime banks in the London interbank market (the "LIBOR" rate), as published in the *Wall Street Journal* on the 16<sup>th</sup> day of each calendar month (or the immediately succeeding Business Day if such 16<sup>th</sup> day is not a Business Day).

As used herein, "Business Day" means any Monday, Tuesday, Wednesday, Thursday or Friday on which Chemical Bank is open for business.

As used herein, "Interest Period" means the period from and including the 16<sup>th</sup> day of each month to and including the 15<sup>th</sup> day of the following month; provided, however, that whenever any installment of principal of, or interest on, this Note becomes due and payable on a day which is not a Business Day, the maturity thereof shall be extended to the next succeeding Business Day.

Interest hereon shall be calculated on the basis of 30-day months and a 360-day year.

This note is issued by said County under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 206, Public Acts of 1893, as amended) and a note authorizing resolution adopted by the County Board of Commissioners (the "Resolution"). The proceeds of this note will be used to make payments to the County, the State of Michigan and taxing units within the County for 2018 real property taxes against which the County has borrowed and that were returned to the County Treasurer as delinquent as of March 1, 2019.

For the payment of the principal of and interest on this note, there are hereby pledged: (1) the collections of the 2018 real property taxes due and payable to the County, the State of Michigan and taxing units within the County against which the County has borrowed and that were outstanding and uncollected on May 1, 2019, and all interest thereon; (2) all of the County property tax administration fees on such delinquent taxes, after the expenses of issuance of the notes have been paid; (3) any amounts that are received by the County from the County, the State of Michigan and taxing units within the County because of the uncollectibility of such delinquent taxes; and (4) all interest earnings on the foregoing.

In addition, this note is a general obligation of the County, secured by a pledge of its full faith and credit. The County, however, does not have the power to impose taxes for the payment of the notes in excess of Constitutional or statutory limitations.

This note is transferable, as provided in the Resolution, only upon the books of the County of Gladwin kept for that purpose by the note registrar and paying agent, upon the surrender of this note together with a written instrument of transfer satisfactory to the note registrar and paying agent duly executed by the Registered Owner or his or her attorney duly authorized in writing. Upon the exchange or transfer of this note a new note or notes of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges, if any, therein provided. Notes so authenticated and delivered shall be in the denomination of \$1,000 or any integral multiple thereof not exceeding the aggregate principal amount of the Notes outstanding.

The note registrar and paying agent shall not be required to transfer or exchange notes or portions of notes which have been selected for redemption.

This note is subject to redemption in whole or in part on any Interest Payment Date prior to its scheduled maturity date. The redemption price shall be the par value of this note or portion of this note called to be redeemed plus interest to the date fixed for redemption. Not less than two Business Days' notice of redemption shall be given to the Registered Owner by telephone, mail or telecopy to the Registered Owner at the registered address. This note or portion of this



note so called for redemption shall not bear interest on and after the date fixed for redemption, provided funds are on hand with the note registrar and paying agent to redeem the same.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the notes of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of said County, including the series of notes of which this note is one, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, County of Gladwin, Michigan, by its County Treasurer, has caused this note to be executed in its name by manual or facsimile signature of the County Treasurer and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon. This note shall not be valid unless the Certificate of Authentication has been manually executed by an authorized agent of the note registrar and paying agent.

COUNTY OF GLADWIN

By: Christy Van Tiem

CHRISTY VAN TIEM  
Treasurer



CERTIFICATE OF AUTHENTICATION

This note is one of the notes described in the within mentioned Resolution.

THE HUNTINGTON NATIONAL BANK

By:

  
Authorized Signer

AUTHENTICATION DATE: May 30, 2019

SPECIMEN

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(please print or type name, address and taxpayer identification number of transferee) the within  
note and all rights thereunder and does hereby irrevocably constitute and appoint

\_\_\_\_\_  
attorney to transfer the within note on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_, \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature(s) must be guaranteed by an eligible guarantor institution participating in a  
Securities Transfer Association recognized signature guarantee program.

**Tab 3**  
**2019 Tax Note, Series 2020**  
**Gladwin County**

## 530 Tax Revolving (2019 Delq Taxes)

Date	Description	J#	Principal	Interest	Total Payment	Borrowed	Total
			530-000-307-000	530-000-995-000		528-000-198-000	Owed

[illegible]

TRUE

HUNTINGTON NATIONAL BANK  
40 PEARL NW, STE 600  
GRAND RAPIDS, MI 49503

## Huntington Private Bank

DECEMBER 01, 2020 TO DECEMBER 31, 2020

ACCOUNT NAME: GLADWN 20NT  
ACCOUNT NUMBER: 3584254806



COUNTY OF GLADWIN  
ATTN: COUNTY TREASURER  
401 W. CEDAR AVENUE  
GLADWIN, MI 48624

ACCOUNT NAME: COUNTY OF GLADWIN 2020 GENERAL  
OBLIGATION LIMITED TAX NOTE -  
PAYING AGENT AND INTEREST  
CALCULATION AGENT UAD 06/09/2020

RELATIONSHIP: PATRICK J O'DONNELL  
MANAGER: 616-771-6210  
PATRICK.J.ODONNELL@HUNTINGTON.COM

INVESTMENT: CORP TR DOC GOV INV  
OFFICER:

### ACCOUNT SUMMARY

	THIS PERIOD	YEAR TO DATE	REALIZED CAPITAL GAINS / LOSSES		
				THIS PERIOD	YEAR TO DATE
BEGINNING MARKET VALUE	0.00	0.00			
OTHER CASH RECEIPTS	76,987.71	1,481,926.67			
DISBURSEMENTS AND FEES	76,987.71 -	1,481,926.67 -			
ENDING MARKET VALUE	0.00	0.00			
			TOTAL GAINS / LOSSES	0.00	0.00

DECEMBER 01, 2020 TO DECEMBER 31, 2020

ACCOUNT NAME: GLADWN 20NT

ACCOUNT NUMBER: 3584254806

## PORTFOLIO DETAIL

QUANTITY	DESCRIPTION	MARKET VALUE	YIELD TO MKT	COST BASIS
GRAND TOTAL ASSETS		0.00	0.00	0.00


## TRANSACTION DETAIL

DATE	QUANTITY	DESCRIPTION	TRANSACTION TYPE	CASH	COST BASIS
12/01/20		BEGINNING BALANCE		0.00	0.00
12/15/20		CASH DEPOSIT FROM GLADWINCO20 Debt Serv Due: 12/15/2020 GLADWINCO20	CASH RCVD	76,987.71	
12/15/20		TRANSFERRED TO ACCOUNT 1599001401 Bond Master Account Debt Serv Due: 12/15/2020 GLADWINCO20	CASH PD OUT	76,987.71-	
12/31/20		ENDING BALANCE		0.00	0.00

ORDER AWARDING NOTES

THE UNDERSIGNED GLADWIN COUNTY TREASURER HEREBY ORDERS that:

1. The terms and conditions of the issuance and sale of the \$2,400,000 General Obligation Limited Tax Notes, Series 2020, dated June 9, 2020, to be issued by the County of Gladwin (the "Notes") are as shown on Exhibit A, in conformance with the resolution authorizing issuance of the Notes adopted by the Gladwin County Board of Commissioners on January 14, 2020 (the "Resolution").
2. The fixing of this date as the date of sale of the Notes to Chemical Bank, A Division of TCF National Bank, is hereby ratified and confirmed.
3. The proposal of Chemical Bank, A Division of TCF National Bank, to purchase the Notes at par plus accrued interest to the date of delivery, and bearing interest for the first Interest Period (as defined in the Notes) at the interest rate set forth on Exhibit A and thereafter at a rate equal to the "Bank Prime Rate" as published by Bloomberg Professional Services less nine tenths of one percent (.90), with a minimum all-in rate of two and ten one hundredths (2.10) percent, is hereby accepted.
4. Pursuant to Section 13 of the Resolution, the Notes shall be authenticated by the paying agent as permitted by Act No. 206, Public Acts of Michigan, 1893, as amended.
5. The Notes shall be issued in accordance with the terms ordered herein and as authorized by the described resolution of the Gladwin County Board of Commissioners, bearing interest as set forth above.

  
\_\_\_\_\_  
CHRISTY VAN TIEM, Treasurer  
County of Gladwin

Dated: June 9, 2020



**EXHIBIT A**

## Terms and Conditions of

**\$2,400,000**

County of Gladwin

General Obligation Limited Tax Notes, Series 2020

Aggregate Principal Amount:	\$2,400,000
Date of Notes:	June 9, 2020
Interest Payment Dates:	The fifteenth day of each month, or first business day thereafter if said fifteenth day is a Saturday, Sunday or holiday, commencing July 15, 2020
Maturity Date and Amount:	November 15, 2021 \$2,400,000
Redemption:	Notes are subject to redemption in whole or in part plus accrued interest on each Interest Payment Date.
Note Registrar and Paying Agent:	The Huntington National Bank Grand Rapids, Michigan
Note Reserve Fund:	The Notes shall not be secured by any Note Reserve Fund.
Denominations:	\$1,000 or more in increments of \$1,000 not exceeding the aggregate principal amount of the Notes
Initial Interest Rate:	2.35% per annum

CERTIFICATE OF COUNTY CLERK

LAURA BRANDON-MAVEAL, the undersigned County Clerk of the County of Gladwin, hereby certifies as follows:

1. She is the duly qualified and acting Clerk of the County of Gladwin, Michigan.
2. The following signature of Christy Van Tiem is guaranteed as that of the County Treasurer of the County of Gladwin.

  
Christy Van Tiem

Treasurer  
County of Gladwin, Michigan

3. Said County has created a delinquent tax revolving fund pursuant to Section 87b of Act 206, Public Acts of Michigan, 1893 (Section 211.87b of the Compiled Laws of 1948), by resolution of the Gladwin County Board of Commissioners, adopted on October 11, 1977, a copy of which resolution is included in the foregoing transcript.

4. The foregoing is a complete and correct transcript of all the proceedings and records on file in the County Clerk's office relating to the issuance and sale by said County of its General Obligation Limited Tax Notes, Series 2020, dated June 2, 2020, the same having been compared by the County Clerk with the originals on file in the County Clerk's office. Said proceedings have not been rescinded, amended or modified in any manner whatsoever, and the time for the reconsideration of such proceedings and filing notice thereof has expired.

5. At the times of the taking of the various proceedings contained in the foregoing transcript, the persons named therein as being members of the Board of Commissioners of said County were the duly qualified and acting members of said Board.

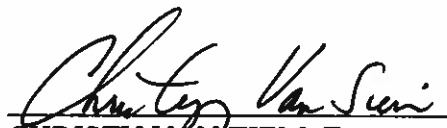
  
LAURA BRANDON-MAVEAL, Clerk  
County of Gladwin

Dated: June 9, 2020

## CERTIFICATE OF COUNTY TREASURER

CHRISTY VAN TIEM, the undersigned County Treasurer of the County of Gladwin hereby certifies as follows:

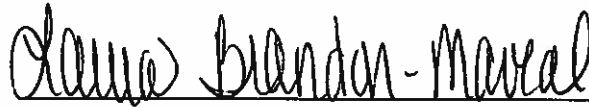
1. She is the duly qualified and acting Treasurer of the County of Gladwin.
2. The 2019 valuation of the County for tax purposes as equalized by the State of Michigan is \$ 1,178,490,371.
3. The 2019 taxable valuation of all the taxable property in the County is \$991,547,592.
4. The aggregate amount of the 2019 real property taxes that were delinquent and uncollected on March 1, 2020, is \$3,042,471.82.
5. The aggregate amount of the 2019 real property taxes that were delinquent and uncollected on May 1, 2020, is \$2,700,074.19.
6. All 2019 delinquent real property taxes against which the County has borrowed and that have been collected since May 1, 2020, together with interest and collection fees thereon, have been deposited in the Gladwin County 100% Tax Payment Fund and are still on deposit therein.
7. The total outstanding indebtedness of Gladwin County, including the Gladwin County General Obligation Limited Tax Notes, Series 2020, issued today, does not exceed \$4,030,000.
8. Prior to the delivery today of \$2,400,000 of the Notes, no notes have been issued by Gladwin County pledging or issued in anticipation of collection of the 2019 real property taxes, which were delinquent and uncollected in said County on May 1, 2020.

  
\_\_\_\_\_  
CHRISTY VAN TIEM, Treasurer  
County of Gladwin

Dated: June 9, 2020

NONLITIGATION CERTIFICATE

I hereby certify that no litigation of any nature is now pending, or to my knowledge, threatened, seeking to restrain or enjoin the issuance and delivery by the County of Gladwin, State of Michigan, of its \$2,400,000 General Obligation Limited Tax Notes, Series 2020, or the imposition and collection of taxes, assessments or charges, as the case may be, to pay the principal of and interest on said notes, or in any manner questioning the proceedings and authority under which said notes are issued, or the validity of said notes; that neither the corporate existence or boundaries of the County of Gladwin nor the title of its present officers to their respective offices is being contested; and that no authority or proceedings for the issuance of said notes has been annulled, repealed, revoked, rescinded or amended.

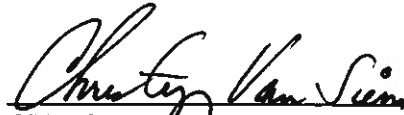
A handwritten signature in black ink, reading "Laura Brandon-Maveal", written over a horizontal line.

LAURA BRANDON-MAVEAL, Clerk  
County of Gladwin, State of Michigan

Dated: June 9, 2020

RECEIPT OF COUNTY TREASURER

I, the undersigned, Treasurer of the County of Gladwin, State of Michigan, do hereby certify that the \$2,400,000 General Obligation Limited Tax Notes, Series 2020, dated June 9, 2020, were delivered to Chemical Bank, A Division of TCF National Bank, Midland, Michigan, the purchaser thereof, on this date, and that said notes have been paid for in full by said purchaser in accordance with the terms of sale, which was at a price not less than that required by law, and that said purchaser has fully complied with its contract for the purchase of said notes.

  
\_\_\_\_\_  
CHRISTY VAN TIEM, Treasurer  
County of Gladwin

Dated: June 9, 2020

## **Tab 4**

### **Installment purchase agreements**

#### **Road Commission**

**EXHIBIT 2**  
**Concluding Payment Schedule to**  
**Governmental Agreement**

Quote number ..... 542-5724

Dated \_\_\_\_\_, 20\_\_\_\_

between  
**Caterpillar Financial Services Corporation**  
 and  
**GLADWIN COUNTY, MI, ROAD COMMISSION**

Description of Unit: 1 Caterpillar 140M3AWD serial # N9J00519

1706  
 Grader

991 Princ.

Int.  
 995

Date Due	Number of Payments Made	Beginning Balance	Payment Amount	Balloon	Interest 1.88998%	Concluding Payment (*)
Jan-05-17	0	279,525.00	0.00	0.00	0.00	279,525.00
Feb-05-17	1	279,525.00	2,232.48	0.00	673.18	277,961.70
Mar-05-17	2	277,961.70	2,232.48	0.00	669.43	276,402.65
Apr-05-17	3	276,402.65	2,232.48	0.00	665.67	274,835.84
May-05-17	4	274,835.84	2,232.48	0.00	661.89	273,265.25
Jun-05-17	5	273,265.25	2,232.48	0.00	658.11	271,690.88
Jul-05-17	6	271,690.88	2,232.48	0.00	654.32	270,112.72
Aug-05-17	7	270,112.72	2,232.48	0.00	650.51	268,530.75
Sep-05-17	8	268,530.75	2,232.48	0.00	646.71	266,944.98
Oct-05-17	9	266,944.98	2,232.48	0.00	642.89	265,355.39
Nov-05-17	10	265,355.39	2,232.48	0.00	639.06	263,761.97
Dec-05-17	11	263,761.97	2,232.48	0.00	635.22	262,164.71
Jan-05-18	12	262,164.71	2,232.48	0.00	631.38	260,563.61
Feb-05-18	13	260,563.61	2,232.48	0.00	627.52	258,958.65
Mar-05-18	14	258,958.65	2,232.48	0.00	623.65	257,349.82
Apr-05-18	15	257,349.82	2,232.48	0.00	619.78	255,737.12
May-05-18	16	255,737.12	2,232.48	0.00	615.90	254,120.54
Jun-05-18	17	254,120.54	2,232.48	0.00	612.00	252,500.06
Jul-05-18	18	252,500.06	2,232.48	0.00	608.10	250,875.68
Aug-05-18	19	250,875.68	2,232.48	0.00	604.18	249,247.38
Sep-05-18	20	249,247.38	2,232.48	0.00	600.27	247,615.17
Oct-05-18	21	247,615.17	2,232.48	0.00	596.34	245,979.03
Nov-05-18	22	245,979.03	2,232.48	0.00	592.39	244,338.94
Dec-05-18	23	244,338.94	2,232.48	0.00	588.45	242,694.91
Jan-05-19	24	242,694.91	2,232.48	0.00	584.48	241,046.91
Feb-05-19	25	241,046.91	2,232.48	0.00	580.52	239,394.95
Mar-05-19	26	239,394.95	2,232.48	0.00	576.54	237,739.01
Apr-05-19	27	237,739.01	2,232.48	0.00	572.55	236,079.08
May-05-19	28	236,079.08	2,232.48	0.00	568.55	234,415.15
Jun-05-19	29	234,415.15	2,232.48	0.00	564.54	232,747.21
Jul-05-19	30	232,747.21	2,232.48	0.00	560.53	231,075.26
Aug-05-19	31	231,075.26	2,232.48	0.00	556.50	229,399.28
Sep-05-19	32	229,399.28	2,232.48	0.00	552.47	227,719.27
Oct-05-19	33	227,719.27	2,232.48	0.00	548.42	226,035.21
Nov-05-19	34	226,035.21	2,232.48	0.00	544.36	224,347.09
Dec-05-19	35	224,347.09	2,232.48	0.00	540.30	222,654.91
Jan-05-20	36	222,654.91	2,232.48	0.00	536.22	220,958.65
Feb-05-20	37	220,958.65	2,232.48	0.00	532.14	219,258.31
Mar-05-20	38	219,258.31	2,232.48	0.00	528.04	217,553.87
Apr-05-20	39	217,553.87	2,232.48	0.00	523.94	215,845.33
May-05-20	40	215,845.33	2,232.48	0.00	519.82	214,132.67
Jun-05-20	41	214,132.67	2,232.48	0.00	515.70	212,415.89
Jul-05-20	42	212,415.89	2,232.48	0.00	511.57	210,694.98
Aug-05-20	43	210,694.98	2,232.48	0.00	507.42	208,969.92
Sep-05-20	44	208,969.92	2,232.48	0.00	503.26	207,240.70
Oct-05-20	45	207,240.70	2,232.48	0.00	499.10	205,507.32
Nov-05-20	46	205,507.32	2,232.48	0.00	494.93	203,769.77
Dec-05-20	47	203,769.77	2,232.48	0.00	490.74	202,028.03
Jan-05-21	48	202,028.03	2,232.48	0.00	486.54	200,282.09
Feb-05-21	49	200,282.09	2,232.48	0.00	482.34	198,531.95
Mar-05-21	50	198,531.95	2,232.48	0.00	478.13	196,777.60
Apr-05-21	51	196,777.60	2,232.48	0.00	473.90	195,019.02
May-05-21	52	195,019.02	2,232.48	0.00	469.67	193,256.21
Jun-05-21	53	193,256.21	2,232.48	0.00	465.42	191,489.15
Jul-05-21	54	191,489.15	2,232.48	0.00	461.16	189,717.83
Aug-05-21	55	189,717.83	2,232.48	0.00	456.90	187,942.25

**Governmental Equipment Lease-Purchase Agreement**  
**Transaction Number 3000395**



**1. PARTIES**

**LESSOR ("we", "us", or "our"):**

CATERPILLAR FINANCIAL SERVICES CORPORATION  
 2120 West End Avenue  
 Nashville, TN 37203

**LESSEE ("you" or "your"):**

GLADWIN COUNTY, MI, ROAD COMMISSION  
 301 S. STATE ST  
 GLADWIN, MI 48824

In reliance on your selection of the equipment described below (each a "Unit"), we have agreed to acquire and lease the Units to you, subject to the terms of this Lease. Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.

**2. DESCRIPTION OF THE UNITS**

DESCRIPTION OF UNITS Whether the Units are new, used, the model number, the manufacturer, and the model name.	SERIAL/UNIT Number/ID Number/ this Unit	MONTHLY LEASE PAYMENT This is due for period, (d, month) below in section 3.	FINAL LEASE PAYMENT	DELIVERY DATE Enter date month (as was delivered) as you
(1) New 140M3AWD Caterpillar Motor Grader	NBJ00519	\$2,232.48	\$181,232.48	

**TERMS AND CONDITIONS**

3. **Lease Payments; Current Expense** You will pay us the lease payments, including the final lease payment set forth above (collectively, the "Lease Payments"). Lease Payments will be paid by you to us as follows: a first payment of \$2,232.48 will be paid in arrears and the balance of the Lease Payments is payable in 59 successive monthly payments of which the first 58 payments are in the amount of \$2,232.48 each, and the last payment is in the amount of \$181,232.48 plus all other amounts then owing under this Lease, with the first Lease Payment due one month after the date that we sign this Lease and subsequent Lease Payments due on a like date of each month thereafter until paid in full. A portion of each Lease Payment constitutes interest and the balance of each Lease Payment is payment of principal. The Lease Payments will be due without demand. You will pay the Lease Payments to us at Caterpillar Financial Services Corporation, PO Box 730869, Dallas, TX 75373-0869 or such other location that we designate in writing. Your obligations, including your obligation to pay the Lease Payments due in any fiscal year, will constitute a current expense of yours for such fiscal year and will not constitute an indebtedness of yours within the meaning of the constitution and laws of the State in which you are located (the "State"). Nothing in this Agreement will constitute a pledge by you of any taxes or other moneys, other than moneys lawfully appropriated from time to time for the payment of the "Payments" (as defined in the last sentence of this Section) owing under this Agreement. You agree that, except as provided in Section 7, your duties and liabilities under this Agreement and any associated documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of the Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Agreement. As used in this Agreement, "Payments" will mean the Lease Payments and any other amounts required to be paid by you.

The portion of the Lease Payments constituting principal will bear interest (computed on the basis of actual days elapsed in a 360 day year) at the rate of 2.89% per annum.

4. **Late Charges** If we do not receive a Payment on the date it is due, you will

pay to us, on demand, a late payment charge equal to the lesser of five percent (5%) of such Payment or the highest charge allowed by law.

5. **Security Interest** To secure your obligations under this Agreement, you grant us a continuing first priority security interest in each Unit (including any Additional Collateral), including all attachments, accessories and optional features (whether or not installed on such Units) and all substitutions, replacements, additions, and accessions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You authorize the filing of such financing statements and will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document, which we deem desirable to protect our security interest in each Unit and our rights and benefits under this Agreement. You, at your expense, will protect and defend our security interest in the Units and will keep the Units free and clear of any and all claims, liens, encumbrances and legal processes however and whenever arising.
6. **Disclaimer of Warranties** WE HAVE NOT MADE AND DO NOT MAKE ANY WARRANTY, REPRESENTATION OR COVENANT OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE UNITS. AS TO US, YOUR LEASE AND PURCHASE OF THE UNITS WILL BE ON AN "AS IS" AND "WHERE IS" BASIS AND "WITH ALL FAULTS". Nothing in this Agreement is intended to limit, waive, abridge or otherwise modify any rights, claims, or causes of action that you may have against any person or entity other than us.
7. **Non-Appropriation** You have an immediate need for, and expect to make immediate use of, the Units. This need is not temporary or expected to diminish during the term of this Agreement. To that end, you agree, to the extent permitted by law, to include in your budget for the current and each successive fiscal year during the term of this Agreement, a sufficient amount to permit you to discharge your obligations under this Agreement. Notwithstanding any provision of this Agreement to the contrary, we and you agree that, in the event that prior to the commencement of any of your fiscal years you do not have sufficient funds appropriated to make the Payments due under this Agreement for such fiscal year, you will have the option of terminating this Agreement as of the date of the commencement of such fiscal year by giving us sixty (60) days prior written notice of your intent to terminate. No later than the last day of the last fiscal year for which appropriations were made for the Payments (the "Return Date"), you will





return to us all of the Units, at your sole expense, in accordance with Section 14, and this Agreement will terminate on the Return Date without penalty or expense to you and you will not be obligated to pay the Lease Payments beyond such fiscal year; provided, that you will pay all Payments for which moneys have been appropriated or are otherwise available; and provided further, that you will pay month to-month rent at the rate set by us for each month or part of any month that you fail to return the Units.

8. **Tax Warranty** You will, at all times, do and perform all acts and things necessary and within your control to ensure that the interest component of the Lease Payments will, for the purposes of Federal income taxation, be excluded from our gross income. You will not permit or cause your obligations under this Agreement to be guaranteed by the Federal Government or any branch or instrumentality of the Federal Government. You will use the Units for the purpose of performing one or more of your governmental functions consistent with the scope of your authority and not in any trade or business carried on by a person other than you. You will report this Agreement to the Internal Revenue Service by filing Form 8038G, 8038GC or 8038, as applicable. Failure to do so will cause this Agreement to lose its tax exempt status. You agree that if the appropriate form is not filed, the interest rate payable under this Agreement will be raised to the equivalent taxable interest rate. If the use, possession or acquisition of the Units is determined to be subject to taxation, you will pay when due all taxes and governmental charges assessed or levied against or with respect to the Units.
9. **Assignment** You may not, without our prior written consent, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of your right, title and interest in and to this Agreement and/or the Units, in whole or in part. We may not transfer, sell, assign, pledge, hypothecate, or otherwise dispose of our right, title and interest in and to this Agreement and/or the Units and/or grant or assign a security interest in this Agreement and/or the Units, in whole or in part.
10. **Indemnity** To the extent permitted by law, you assume liability for, agree to and do indemnify, protect and hold harmless us and our employees, officers, directors and agents from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses (including reasonable attorney's fees), of whatsoever kind and nature, arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by you or us), operation, ownership, selection, delivery, storage, leasing or return of any item of Units, regardless of where, how and by whom operated, or any failure on your part to accept the Units or otherwise to perform or comply with any conditions of this Agreement.
11. **Insurance; Loss and Damage** You bear the entire risk of loss, theft, destruction or damage to the Units from any cause whatsoever. No loss, theft, destruction or damage of the Units will relieve you of the obligation to make Lease Payments or to perform any obligation owing under this Agreement. You agree to keep the Units insured to protect all of our interests, at your expense, for such risks, in such amounts, in such forms and with such companies as we may require, including but not limited to fire and extended coverage insurance, explosion and collision coverage, and personal liability and property damage liability insurance. Any insurance policies relating to loss or damage to the Units will name us as loss payee as our interests may appear and the proceeds may be applied toward the replacement or repair of the Units or the satisfaction of the Payments due under this Agreement. You agree to use, operate and maintain the Units in accordance with all laws, regulations and ordinances and in accordance with the provision of any policies of insurance covering the Units, and will not rent the Units or permit the Units to be used by anyone other than you. You agree to keep the Units in good repair, working order and condition and house the Units in suitable shelter, and to permit us or our assigns to inspect the Units at any time and to otherwise protect our interests in the Units. If any Unit is customarily covered by a maintenance agreement, you will furnish us with a maintenance agreement by a party acceptable to us.
12. **Default; Remedies** An "Event of Default" will occur if (a) you fail to pay any

Payment when due and such failure continues for ten (10) days after the due date for such Payment or (b) you fail to perform or observe any other covenant, condition, or agreement to be performed or observed by you under this Agreement and such failure is not cured within twenty (20) days after written notice of such failure from us. Upon an Event of Default, we will have all rights and remedies available under applicable law. In addition, we may declare all Lease Payments due or to become due during the fiscal year in which the Event of Default occurs to be immediately due and payable by you and/or we may repossess the Units by giving you written notice to deliver the Units to us in the manner provided in Section 14, or in the event you fail to do so within ten (10) days after receipt of such notice, and subject to all applicable laws, we may enter upon your premises and take possession of the Units. Further, if we financed your obligations under any extended warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, we may cancel such extended warranty agreement on your behalf and receive the refund of the extended warranty agreement fees that we financed but had not received from you as of the date of the Event of Default.

13. **Miscellaneous** This Agreement may not be modified, amended, altered or changed except by a written agreement signed by you and us. In the event any provision of this Agreement is found invalid or unenforceable, the remaining provisions will remain in full force and effect. This Agreement, together with exhibits, constitutes the entire agreement between you and us and supersedes all prior and contemporaneous writings, understandings, agreements, solicitations, documents and representations, expressed or implied. Any terms and conditions of any purchase order or other documents submitted by you in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on us and will not apply to this Agreement. You agree that we may correct patent errors in this Agreement and fill in blanks including, for example, correcting or filling in serial numbers, VIN numbers, and dates. Any notices required to be given under this Agreement will be given to the parties in writing and by certified mail at the address provided in this Agreement, or to such other addresses as each party may substitute by notice to the other, which notice will be effective upon its receipt.
14. **Title; Return of Units** Notwithstanding our designation as "Lessor", we do not own the Units. Legal title to the Units will be in you so long as an Event of Default has not occurred and you have not exercised your right of non-appropriation. If an Event of Default occurs or if you non-appropriate, full and unencumbered title to the Units will pass to us without the necessity of further action by the parties, and you will have no further interest in the Units. If we are entitled to obtain possession of any Units or if you are obligated at any time to return any Units, then (a) title to the Units will vest in us immediately, and (b) you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 11. You will deliver the Unit, at our option, (i) to the nearest Caterpillar dealer selling equipment of the same type as the Unit; or (ii) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If the Unit is not in the condition required by Section 11, you must pay us, on demand, all costs and expenses incurred by us to bring the Unit into the required condition. Until the Units are returned as required above, all terms of this Agreement will remain in full force and effect including, without limitation, your obligation to pay Lease Payments and to insure the Units.
15. **Other Documents** In connection with the execution of this Agreement, you will cause to be delivered to us (i) either (A) a certified copy of your authorizing resolution substantially in the form attached as Attachment B and a copy of the minutes of the relevant meeting or (B) an opinion of your counsel substantially in the form attached as Attachment C; (ii) a Verification of Insurance substantially in the form attached to this Agreement; (iii) a copy of the signed Form filed with the Internal Revenue Service required in Section 8 above as Attachment D; and (iv) any other documents or items required by us.
16. **Applicable Law** This Agreement will be governed by the laws, excluding the laws relating to the choice of law, of the State in which you are located.

## SIGNATURES

LESSOR  
CATERPILLAR FINANCIAL SERVICES CORPORATION

Signature \_\_\_\_\_

Name (print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

LESSEE  
GLADWIN COUNTY, MI. ROAD COMMISSION

Signature \_\_\_\_\_

Name (print) DAVE PETERSON

Title MANAGER

Date 4-21-17



## 1. PARTIES

### LESSOR (we):

CATERPILLAR FINANCIAL SERVICES  
CORPORATION  
2120 West End Avenue  
Nashville, TN 37203

### LESSEE (you):

GLADWIN COUNTY, MI, ROAD COMMISSION  
301 S. STATE ST  
GLADWIN  
MI 48624

## 2. TERMS

WHEREAS, Lessor and Lessee wish to amend and modify the terms and conditions of the Agreement pursuant to the term and conditions contained in this Addendum.

NOW THEREFORE, in consideration of the terms, covenants, conditions and agreements contained herein as well as in the Agreement, the receipt and sufficiency of which are acknowledged, Lessor and Lessee hereby agree as follows:

1. The Agreement is hereby amended so that the Lease Payments due under the Agreement shall be due monthly on the 15<sup>th</sup> and on like date of each month thereafter (with the exception of any specified monthly payment in which Lessor does not require any Lease Payments) for the term of the Agreement or until termination of the Agreement.
2. All capitalized terms used in this Addendum but not defined herein shall have the meaning ascribed to such terms in the Agreement.
3. This Addendum shall be effective as of the date Lessor executes this Addendum.
4. In the event of any conflict or inconsistency between the terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall control.
5. Except as provided herein, the Agreement shall remain unchanged and in full force and effect in accordance with its terms. It is specifically understood and agreed that the foregoing shall not be deemed to be a waiver or amendment of any other provision of the Agreement or any of Lessor's rights or remedies under the Agreement.

IN WITNESS WHEREOF, the parties have caused their duly authorized representative to execute this Addendum.

## SIGNATURES

GLADWIN COUNTY, MI, ROAD COMMISSION

CATERPILLAR FINANCIAL SERVICES  
CORPORATION

X Signature

Name (print)

Title

Date

Signature

Name (print)

Title

Date





Michigan CAT Corporate Headquarters  
24800 Novi Road  
Novi, Michigan 48375  
Toll Free 1 (888) 642-4228 Fax (248) 348-3081

## TERMS AND CONDITIONS OF GUARANTEED PURCHASE AGREEMENT

This letter Agreement is to verify the limited terms and conditions upon which Michigan CAT agrees to purchase Gladwin CRC CAT, 140M3 AWD supplied as the successful winner of BID Number: .

Michigan CAT agrees that if Gladwin CRC elects to return the CAT, 140M3 AWD within 5 years after delivery date or at 5000 hours, Which Ever Comes First, Michigan CAT will purchase this machine for \$179000.

Gladwin CRC and Michigan CAT agree that Michigan CAT's obligation to purchase specified equipment is conditioned upon the occurrence of all of the following:

1. Gladwin CRC shall notify Michigan CAT of their Re-Purchase Agreement intention in writing thirty (30) days prior to the expiration date listed above.
  2. Gladwin CRC shall return the CAT, 140M3 AWD to the Michigan CAT yard in by . A daily rate of \$ will be assessed and payable upon return of the machine for each day beyond the agreed upon return date.
  3. Gladwin CRC shall incur all shipping expenses, permits, fees, etc.
  4. Gladwin CRC shall only have operated the CAT, 140M3 AWD a total of 5000 hours. A charge of \$ per hour will be assessed and payable upon return of machine for each hour over agreed upon hour usage.
  5. Gladwin CRC must return the CAT, 140M3 AWD in the same configuration and with all attachments as when delivered by Michigan CAT.
  6. All ground engaging tools, tracks and associated parts, rubber belt units and associated parts and rubber tires must have good structural integrity, must be complete and must have fifty percent (50%) minimum remaining life.
  7. Gladwin CRC agrees that repair expense necessitated by operator negligence or damage will be deducted from the above referenced purchase figure.
  8. Gladwin CRC must return the CAT, 140M3 AWD thoroughly cleaned, steam cleaned if available and free from all oil, hydraulic and fuel leaks.
  9. Gladwin CRC must have operated and maintained the CAT, 140M3 AWD in accordance with Caterpillar Lubrication and Maintenance and Operations guide books and all Scheduled Oil Sampling must be completed. All Product Improvement Programs must be completed.
- All repairs must be accomplished in accordance with factory recommended materials and repair procedures and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs.
10. Gladwin CRC must have operated the CAT, 140M3 AWD only in applications for which it was designed and manufactured.
  11. Gladwin CRC must have maintained a working engine hour meter at all times.  
All switches, monitoring systems (EMS,VIMS,VIDS), gauges, control levers, pedals, radio, mirrors, seats, insulation, safety items and systems, electrical components and systems, and all other contents must be complete and in good working order. All window glass, frames, doors, fenders and flat metal or plastic surfaces and weather stripping must be complete, in good working order and free from dents and cracks.
  12. The CAT, 140M3 AWD shall not be encumbered by any other fees, taxes or liens.

Michigan CAT's obligation is conditioned upon Gladwin CRC satisfying all of the above terms and conditions.

Sincerely,  
Michigan CAT

Regional Sales Manager

  
Gladwin CRC

DATE

4-21-17  
DATE

**WHEREAS**, the laws of the State of Michigan (the "State") authorize **GLADWIN COUNTY, MI, ROAD COMMISSION** (the "Governmental Entity"), a duly organized political subdivision, municipal corporation or similar public entity of the State, to purchase, acquire and lease personal property for the benefit of the Governmental Entity and its inhabitants and to enter into any necessary contracts; and

**the form of the Agreement has been presented to the governing body of the Governmental Entity at this meeting.**

that the persons listed below, who are the incumbent officers of the Governmental Entity (the "Authorized Persons"):

**that the authority granted by these resolutions will apply equally and with the same effect to the successors in office of the Authorized Persons.**

**IN WITNESS** of these resolutions, the officer named below executes this document on behalf of the Governmental Entity.

Signature:   
Title: Asst. Dir.  
Date: 4-21-17



**CUSTOMER INFORMATION VERIFICATION**  
(Required Document)



In our efforts to continue providing timely customer service, we need your assistance confirming the following information. If any information is incorrect or missing, please note the necessary changes below and return this form with your signed documents. In addition, please review the Data Privacy Notice stated below. Thank you in advance for your cooperation.

Purchase Order # for new contract: \_\_\_\_\_

**Current Information on file**

Please make corrections here

Customer Name: **GLADWIN COUNTY, MI, ROAD COMMISSION**

Physical Address: **301 S. STATE ST**  
**GLADWIN, MI 48624**

Mailing Address: **301 S. STATE ST**  
**GLADWIN, MI 48624**

Equipment Location: **301 S. STATE ST.**  
**GLADWIN, MI 48624, GLADWIN**

Business Phone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Accounts Payable Contact  
Name and Phone: \_\_\_\_\_

**Tax Information**

Sales Tax Rate: **0**

(Please note: Sales Tax Rate, includes all applicable State, County, and City sales tax)

City Limits **Asset outside the City Limits? Yes \_\_\_ No \_\_\_**

**Tax Exemption Status**

Please indicate if you are tax exempt. ☐ Exempt\*  
☐ Non-Exempt

**\*A Tax Exemption Certificate is required for all tax exempt customers. If you are tax exempt - please enclose a current tax exemption certificate to be returned with your documents.**

**Electronic Copy Available Upon Funding**

If you would like an electronic copy of your contract, please provide a valid email address below (one letter per line).

\_\_\_\_\_

The information above has been reviewed and is accurate to the best of my knowledge with exception of any corrections as noted.

**\*Should the above changes apply to ALL of your contracts, OR for this contract ONLY?**

- ☐ ALL CONTRACTS  
☐ THIS CONTRACT ONLY

**THE ABOVE INFORMATION HAS BEEN REVIEWED AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE WITH EXCEPTION OF ANY CORRECTIONS AS NOTED.**

X   
Customer Initials

**Data Privacy Notice:**

*This notice pertains to personal data supplied in connection with your credit application. By providing your information to Caterpillar Inc. or any of its subsidiaries or affiliates, including Caterpillar Financial Services Corporation (collectively "Caterpillar"), you are agreeing that the information may be shared among Caterpillar and its partners and dealers, and used to process your applications for credit and other orders and to improve or market Caterpillar products and services. If you have any questions pertaining to this notice, please contact the Data Privacy Coordinator at 615-341-8222.*



Model #	Equipment Description	Serial #	VIN	Value Including Total Tax	Pymt Method-3 Total Premium	Pymt Method-1 Finance Pymt
1. 140M3AWD	Caterpillar Motor Grader	N6J00519			\$18,575.00	\$320.08

**Marsha Blaisdell, Authorized Insurance Producer**

I understand that the total insurance premium for 60 months will be \$16,575.00, which is \$3,315.00 per year based upon the total equipment value of \$279,000.00.

**Method 1** ☐ I will finance the insurance premium, including finance charges, of \$320.08 per scheduled equipment payment. The finance charge is calculated at 4.20% per annum on the total insurance premium covering the full term of the finance agreement. By choosing Method 1 and signing this document you are agreeing to finance the insurance along with the equipment payments with Caterpillar Financial Services Corporation.

**Method 2** ☐ I desire coverage for an initial 12 month term. I will pay the \$3,315.00 premium and return the payment with the signed equipment documents. Please make check payable to CIC.

**Method 3** ☐ I will pay the total premium and return the payment with the signed equipment documents. Please make check payable to CIC.

**Method 4** ☒ I decline Caterpillar Insurance. I elect to obtain my own commercial insurance on the equipment shown from an agent or insurance company of my choice.

I understand that the quote I receive is not a binder of insurance. If I elect to obtain coverage from CIC, coverage will be effective in accordance with the terms and conditions of the issued Policy and that I may terminate the coverage at any time with advance written notice.

I acknowledge that I have been notified that, under the TERRORISM RISK INSURANCE ACT of 2002 (as extended by the Terrorism Risk Insurance Extension Act of 2005), any losses caused by certified acts of terrorism under my policy will result in coverage under my policy that will be partially reimbursed by the United States as outlined in the attached policyholder disclosure notification.

**I also acknowledge I have been advised that, if I accept this insurance, an appointed licensed insurance producer will receive commission compensation.**

**Customer Name:** GLADWIN COUNTY, MI, ROAD COMMISSION  
**Dealer Name:** MACALLISTER MACHINERY CO., INC. DBA MICHIGAN CAT

Please note: If you would like a no obligation quote on your additional equipment, call 1-800-248-4228 extension 5754.

Accepted By: [Signature]

Name (PRINT): LAKE TETTERCIT

Title: MR. NAGTON

Date: 4-21-17



ACQUAINTANCE

## CATERPILLAR INSURANCE COMPANY (CIC) SELECTION FORM



Before financing your equipment, you must arrange physical damage insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance company satisfies minimum financial requirements.

As an alternative to obtaining your own insurance, you may elect to have your equipment insured under coverage arranged by Caterpillar Insurance Services Corporation, that has been designed specifically for the purchasers of Cat® equipment.

**Please complete this form if you elect to insure your equipment with Caterpillar Insurance Company (CIC).**

### CIC Physical Damage Insurance Policy Summary

Please note: This is only a brief description of the CIC Physical Damage Insurance Program. Contractual provisions contained in the policy will govern.

#### Coverage

CIC Physical Damage Insurance protects your equipment against physical damage losses, including collision, fire, theft, vandalism, upset or overturn, floods, sinking, earthquakes and other unfortunate acts of nature. The protection has been designed for owners of heavy equipment and provides superior benefits you most likely would not find in other plans.

The CIC Physical Damage Insurance does include normal exclusions. Some important exclusions are wear and tear, rust, loss of income, war, nuclear damage, and mechanical breakdown, automobiles, watercraft, waterborne shipments, tires or tubes or mobile track belts damaged by blow-out, puncture, and road damage.

#### Repairs

When a covered loss occurs, this plan will pay for Cat® replacement parts on all your new or used Caterpillar equipment. On all equipment from other manufacturers, the plan will pay for comparable replacement parts.

#### Transportation

Your CIC plan will pay for round-trip transportation of covered damaged equipment to and from your Cat dealer's repair facility, up to \$2,500 limit.

#### Rental Reimbursement

The plan allows for rental costs up to \$2,500 that you incur to rent similar equipment following a covered loss. You are automatically protected with up to \$100,000 of coverage for damage to the similar equipment you rent.

#### Claims

In the event of a total loss, the policy will pay the greatest of the following:

- The payoff value of the loan on the damaged parts or equipment as of the date of loss or
- The actual cash value of that covered property; or
- The cost of replacing that property with property of like kind and quality

The policy will pay 10% of scheduled loss, up to a \$10,000 maximum for debris removal.

The policy will pay fire department service fees up to \$5,000.

#### Deductible

\$1,000 Construction and Agricultural Equipment Deductibles:

\$5,000 deductible all logging Equipment

#### Customer Service

If you have any questions or need additional details, see your Authorized Cat Dealer or call CIC toll free at **1-800-248-4228**.

You may also e-mail CIC at [physicaldamage@cat.com](mailto:physicaldamage@cat.com)

#### POLICYHOLDER DISCLOSURE

##### NOTICE OF TERRORISM RISK INSURANCE ACT OF 2002

(as extended by the Terrorism Risk Insurance Extension Act of 2005, and as amended in 2007)

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended in 2007. However, your policy may contain other exclusions, which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of your premium that is attributable to coverage for terrorist acts certified under the Act is: \$0.00





# Verification of Insurance

Lessee:

LESSOR (we):

CATERPILLAR FINANCIAL SERVICES CORPORATION  
2120 West End Avenue  
Nashville, TN 37203-0001

LESSEE (you):

GLADWIN COUNTY, MI, ROAD COMMISSION  
301 S. STATE ST  
GLADWIN, MI 48624

## Subject: Insurance Coverage Requirements

1. The above-named Lessor and Lessee have entered into Governmental Equipment Lease-Purchase Agreement Transaction Number 3000395 (the "Agreement"). In accordance with the Agreement, Lessee has instructed the insurance agent named below:

Company: MCRACIP

Address: \_\_\_\_\_

Phone No: \_\_\_\_\_

Agent's Name: \_\_\_\_\_

to issue:

a. All Risk Physical Damage Insurance on the Equipment (as defined in the Agreement) evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming the Lessor and/or its Assignee, as loss payee.

The Coverage Required: the aggregate purchase price for the Equipment.

b. Public Liability Insurance evidenced by a Certificate of Insurance, naming the Lessor and/or its Assignee as Additional Insured, with a minimum of \$1,000,000 per occurrence is required.

2. Proof of insurance coverage will be provided to Lessor or its Assignee prior to the time the Equipment is delivered to Lessee.

Model #	Equipment Description	Serial #	VIN #	Value Including Tax
1. 140M3AWD	Caterpillar Motor Grader	N9J00519		\$279,000.00

## SIGNATURES

LESSEE

GLADWIN COUNTY, MI, ROAD COMMISSION

X Signature [Signature]

Name (print) Dave B. [unclear]

Title Manager

Date 4-21-17





1. The lessee named on the front hereof (the "Lessee") has selected the Unit(s), instructed Cat Financial to purchase the Unit(s) from Vendor, and agreed to lease the Unit(s) from Cat Financial.
2. Cat Financial (or its assignee) will have no obligation hereunder (and any sums previously paid by Cat Financial to Vendor with respect to the Unit(s) shall be promptly refunded to Cat Financial) unless (a) all of the conditions set forth in Section 1.3 (if a master lease agreement) or Section 1 (if a non master lease agreement) of the lease with the Lessee covering the Unit(s) have been timely fulfilled and (b) the Lessee has not communicated to Cat Financial (or its assignee), prior to "Delivery" (as hereinafter defined) of the Unit(s), an intent not to lease the Unit(s) from Cat Financial. All conditions specified in this paragraph shall be deemed timely fulfilled unless prior to Delivery of the Unit(s), Cat Financial (or its assignee) shall notify Vendor to the contrary in writing, which shall include fax or email. "Delivery" shall mean the later of the time (a) Cat Financial executes this Purchase Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Unit(s).
3. Upon timely satisfaction of the conditions specified in Paragraph 2 above, ownership, title and risk of loss to the Unit(s) shall transfer to Cat Financial (or its assignee) upon Delivery of the Unit(s).
4. Vendor warrants that (a) upon Delivery of the Unit(s), Cat Financial (or its assignee) will be the owner of and have absolute title to the Unit(s) free and clear of all claims, liens, security interests and encumbrances and the description of the Unit(s) set forth herein is correct and (b) the Unit Transaction Price set forth on the front hereof for each unit of Unit(s) leased under a lease is equal to such Unit(s)'s fair market value.
5. Vendor shall forever warrant and defend the sale of the Unit(s) to Cat Financial (or its assignee), its successors and assigns, against any person claiming an interest in the Unit(s).
6. Provided that no event of default exists under any agreement between Lessee and Cat Financial and upon timely satisfaction of the conditions specified in Paragraph 2 above, and unless otherwise agreed to in this Purchase Agreement, Cat Financial (or its assignee) shall pay Vendor the total Purchase Price set forth on the front hereof for the Unit(s) within three business days following (a) the receipt and approval by Cat Financial of all documentation deemed necessary by Cat Financial in connection with the lease transaction and (b) all credit conditions have been satisfied.
7. Vendor shall deliver the Unit(s) to the Lessee at the delivery point set forth on the front hereof.
8. This Purchase Agreement may be assigned by Cat Financial to a third party. Vendor hereby consents to any such assignment.
9. This Purchase Agreement shall become effective only upon execution by Cat Financial.



**JOHN DEERE  
FINANCIAL**

#59 Grader

## Amortization Schedule

Lease Schedule No.

030-0060795-004

Master Lease-Purchase Agreement No.

0060795

Lessee: (Name & Address)	GLADWIN COUNTY ROAD COMMISSION 301 S STATE ST, GLADWIN, MI 48624				
Lessor:	DEERE CREDIT, INC. 6400 NW 86 <sup>th</sup> ST, PO BOX 6600, JOHNSTON, IA 50131-6600				
Nominal Annual Rate:	3.00% <span style="margin-left: 100px;">995-059</span> <span style="margin-left: 50px;">991-059</span>				
Payment Number:	Date:	Lease Payment:	Interest:	Principal:	Principal Balance:
Lease	02/23/2015				160,760.00
1	02/23/2015	1,676.71	0.00	1,676.71	159,083.29
<i>Pd. 3/25/15</i> 2	03/23/2015	1,676.71	397.71	1,279.00	157,804.29
<i>Pd. 4/22/15</i> 3	04/23/2015	1,676.71	394.51	1,282.20	156,522.09
<i>Pd. 5/20/15</i> 4	05/23/2015	1,676.71	391.31	1,285.40	155,236.69
<i>Pd. 6/17/15</i> 5	06/23/2015	1,676.71	388.09	1,288.62	153,948.07
<i>Pd. 7/15/15</i> 6	07/23/2015	1,676.71	384.87	1,291.84	152,656.23
<i>Pd. 8/12/15</i> 7	08/23/2015	1,676.71	381.64	1,295.07	151,361.16
<i>Pd. 9/9/15</i> 8	09/23/2015	1,676.71	378.40	1,298.31	150,062.85
<i>Pd. 10/21/15</i> 9	10/23/2015	1,676.71	375.16	1,301.55	148,761.30
<i>Pd. 11/18/15</i> 10	11/23/2015	1,676.71	371.90	1,304.81	147,456.49
<i>Pd. 12/16/15</i> 11	12/23/2015	1,676.71	368.64	1,308.07	146,148.42
<i>Pd. 1/13/16</i> 12	01/23/2016	1,676.71	365.37	1,311.34	144,837.08
<i>Pd. 2/24/16</i> 13	02/23/2016	1,676.71	362.09	1,314.62	143,522.46
<i>Pd. 3/23/16</i> 14	03/23/2016	1,676.71	358.81	1,317.90	142,204.56
<i>Pd. 4/20/16</i> 15	04/23/2016	1,676.71	355.51	1,321.20	140,883.36
<i>Pd. 5/18/16</i> 16	05/23/2016	1,676.71	352.21	1,324.50	139,558.86
<i>Pd. 6/15/16</i> 17	06/23/2016	1,676.71	348.90	1,327.81	138,231.05
<i>Pd. 7/13/16</i> 18	07/23/2016	1,676.71	345.58	1,331.13	136,899.92
<i>Pd. 8/24/16</i> 19	08/23/2016	1,676.71	342.25	1,334.46	135,565.46
<i>Pd. 9/21/16</i> 20	09/23/2016	1,676.71	338.91	1,337.80	134,227.66
<i>Pd. 10/19/16</i> 21	10/23/2016	1,676.71	335.57	1,341.14	132,886.52
<i>Pd. 11/16/16</i> 22	11/23/2016	1,676.71	332.22	1,344.49	131,542.03
<i>Pd. 12/14/16</i> 23	12/23/2016	1,676.71	328.86	1,347.85	130,194.18
<i>Pd. 1-25-17</i> 24	01/23/2017	1,676.71	325.49	1,351.22	128,842.96
<i>Pd. 2-22-17</i> 25	02/23/2017	1,676.71	322.11	1,354.60	127,488.36
<i>Pd. 3-22-17</i> 26	03/23/2017	1,676.71	318.72	1,357.99	126,130.37
<i>Pd. 4-19-17</i> 27	04/23/2017	1,676.71	315.33	1,361.38	124,768.99
<i>Pd. 5-17-17</i> 28	05/23/2017	1,676.71	311.92	1,364.79	123,404.20
<i>Pd. 6-14-17</i> 29	06/23/2017	1,676.71	308.51	1,368.20	122,036.00
<i>Pd. 7-12-17</i> 30	07/23/2017	1,676.71	305.09	1,371.62	120,664.38
<i>Pd. 8-23-17</i> 31	08/23/2017	1,676.71	301.66	1,375.05	119,289.33
<i>Pd. 9-20-17</i> 32	09/23/2017	1,676.71	298.22	1,378.49	117,910.84
<i>Pd. 10-18-17</i> 33	10/23/2017	1,676.71	294.78	1,381.93	116,528.91
<i>Pd. 11-15-17</i> 34	11/23/2017	1,676.71	291.32	1,385.39	115,143.52
<i>Pd. 12-13-17</i> 35	12/23/2017	1,676.71	287.86	1,388.85	113,754.67
<i>Pd. 1-24-18</i> 36	01/23/2018	1,676.71	284.39	1,392.32	112,362.35

#59

Interest  
995+059Principal  
991+059

2-21-18	37	02/23/2018	1,676.71	280.91	1,395.80	110,966.55
3-21-18	38	03/23/2018	1,676.71	277.42	1,399.29	109,567.26
4-18-18	39	04/23/2018	1,676.71	273.92	1,402.79	108,164.47
5-16-18	40	05/23/2018	1,676.71	270.41	1,406.30	106,758.17
6-13-18	41	06/23/2018	1,676.71	266.90	1,409.81	105,348.36
7-25-18	42	07/23/2018	1,676.71	263.37	1,413.34	103,935.02
8-22-18	43	08/23/2018	1,676.71	259.84	1,416.87	102,518.15
9-19-18	44	09/23/2018	1,676.71	256.30	1,420.41	101,097.74
10-17-18	45	10/23/2018	1,676.71	252.74	1,423.97	99,673.77
11-28-18	46	11/23/2018	1,676.71	249.18	1,427.53	98,246.24
12-12-18	47	12/23/2018	1,676.71	245.62	1,431.09	96,815.15
1-9-19	48	01/23/2019	1,676.71	242.04	1,434.67	95,380.48
2-20-19	49	02/23/2019	1,676.71	238.45	1,438.26	93,942.22
3-20-19	50	03/23/2019	1,676.71	234.86	1,441.85	92,500.37
4-17-19	51	04/23/2019	1,676.71	231.25	1,445.46	91,054.91
5-15-19	52	05/23/2019	1,676.71	227.64	1,449.07	89,605.84
6-12-19	53	06/23/2019	1,676.71	224.01	1,452.70	88,153.14
7-24-19	54	07/23/2019	1,676.71	220.38	1,456.33	86,696.81
8-21-19	55	08/23/2019	1,676.71	216.74	1,459.97	85,236.84
9-18-19	56	09/23/2019	1,676.71	213.09	1,463.62	83,773.22
10-16-19	57	10/23/2019	1,676.71	209.43	1,467.28	82,305.94
11-27-19	58	11/23/2019	1,676.71	205.76	1,470.95	80,834.99
12-11-19	59	12/23/2019	1,676.71	202.09	1,474.62	79,360.37
1-22-20	60	01/23/2020	1,676.71	198.40	1,478.31	77,882.06
2-19-20	61	02/23/2020	1,676.71	194.71	1,482.00	76,400.06
3-18-20	62	03/23/2020	1,676.71	191.00	1,485.71	74,914.35
4-15-20	63	04/23/2020	1,676.71	187.29	1,489.42	73,424.93
5-13-20	64	05/23/2020	1,676.71	183.56	1,493.15	71,931.78
6-24-20	65	06/23/2020	1,676.71	179.83	1,496.88	70,434.90
7-22-20	66	07/23/2020	1,676.71	176.09	1,500.62	68,934.28
8-19-20	67	08/23/2020	1,676.71	172.34	1,504.37	67,429.91
9-16-20	68	09/23/2020	1,676.71	168.57	1,508.14	65,921.77
10-14-20	69	10/23/2020	1,676.71	164.80	1,511.91	64,409.86
11-11-20	70	11/23/2020	1,676.71	161.02	1,515.69	62,894.17
12-23-20	71	12/23/2020	1,676.71	157.24	1,519.47	61,374.70
1-20-2021	72	01/23/2021	1,676.71	153.44	1,523.27	59,851.43
2-17-2021	73	02/23/2021	60,000.00	149.63	59,850.37	1.06
	74	03/23/2021	1.00	0.06	1.06	0.00
Grand Totals			180,724.12	19,964.12	160,760.00	

LESSEE

GLADWIN COUNTY ROAD COMMISSION  
301 S STATE ST,  
GLADWIN, MI 48624

By:

DAYNA BITTNER, CLERK

Date:

2/24/15

LESSOR

DEERE CREDIT, INC.  
6400 N.W. 86<sup>th</sup> STREET, PO BOX 6600  
JOHNSTON, IA 50131-6600

By:

Date:





# JOHN DEERE FINANCIAL

## Lease Schedule

Lease Schedule No.	030-0060795-004
Master Lease Agreement No.	0060795

<b>Lessee:</b> (Name & Address)	GLADWIN COUNTY ROAD COMMISSION 301 S STATE ST., GLADWIN, MI 48624
<b>Lessor:</b>	DEERE CREDIT, INC. 6400 NW 86 <sup>th</sup> ST, PO BOX 6600, JOHNSTON, IA 50131-6600

### EQUIPMENT INFORMATION

Year	Make	Model	Equipment Description	Serial Number	Hour Meter	Cash Price
2014 2015	JD	672GP	MOTOR GRADER	1DW672GPHFF667161	5	\$276,330.00
<b>Equipment Location</b>	301 S STATE ST, GLADWIN, MI, 48624			OUTSIDE city limits: <input type="checkbox"/>		GLADWIN COUNTY

### LEASE TERM

Lease Term Start Date	Lease Term End Date	# Of Payments	Lease Payment	*Sales/Use Tax	Total Lease Payment
02/23/2015	03/23/2021	72	\$1,676.71	\$0.00	\$1,676.71
		1	\$60,000.00	\$0.00	\$60,000.00

\*If part of the regular scheduled lease payment

### PAYMENT TERMS

Due Date	1 <sup>st</sup> Payment Due Date	Billing Period	Advance Lease** Payment	\$1,676.71
23	02/23/2015	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual	**Advance Lease Payment includes the first 1 and last 0 Lease Payment(s)	

"Master Agreement" shall mean the above referenced Master Lease-Purchase Agreement. "Schedule" shall mean this Lease Schedule. "Lease" shall mean this Schedule and the Master Agreement. All of the terms and conditions set forth in the Master Agreement and any amendment, addendum, schedule or attachment thereto or hereto are hereby incorporated into and made a part of this Schedule.

**Lease Payments.** Remit the Lease Payments (and applicable sales, use and property taxes) on the dates noted above and all other amounts when due to: DEERE CREDIT, INC., P.O. Box 4450, Carol Stream, IL 60197-4450.

**Purchase Option.** You may purchase the Equipment at the end of the Lease Term for \$1, provided (1) you are not in default, and (2) we receive all amounts you owe us on or before the Lease Term End Date (the "Purchase Option"). Upon exercise of the Purchase Option, we will (a) transfer to you all of our right, title and interest in such item(s) of Equipment AS-IS, WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE, and (b) release our security interest in the Equipment.


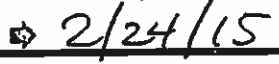
**Representations and Warranties.** You represent and warrant to us, as of the date you signed this Schedule, that (1) the Equipment was selected by you; (2) the Equipment (including all manufacturer manuals and instructions) has been delivered to, and examined by, you; (3) the safe operation and the proper servicing of the Equipment were explained to you; (4) you received the written warranty applicable to the Equipment and understand that your rights under the written warranty may be limited; (5) the Equipment is unconditionally and irrevocably accepted by you as being suitable for its intended use; (6) the Equipment is in good condition and repair (operating and otherwise); (7) the Equipment shall be used only for the purpose indicated herein; (8) all information provided to us by you is true and correct.

You acknowledge and agree that: (1) we did not select, manufacture or supply any of the Equipment; (2) we acquired the Equipment at your direction; (3) you selected the supplier of the Equipment; (4) you are entitled to all manufacturer warranties ("Warranty Rights") and we assign all Warranty Rights to you, to the extent assignable; (5) you may request an accurate and complete statement of the Warranty Rights, including any disclaimers and limitations, directly from the manufacturer; and (6) you assign to us all your rights (but none of your obligations) under all purchase orders, purchase agreements or similar documents relating to the Equipment. You waive all rights and remedies conferred upon a lessee under Sections 508 - 522 of Article 2A of the Uniform Commercial Code.

**Miscellaneous.** You agree that we can access any information regarding the location, maintenance, operation and condition of the Equipment, and you irrevocably authorize anyone in possession of such information to provide all of that information to us upon our request. You also agree to not disable or otherwise interfere with any information-gathering or transmission device within or attached to the Equipment. You permit us to monitor and record telephone conversations between you and us. By providing any telephone number, including a mobile phone number, to us, any of our affiliates or any debt collectors we retain, we, such affiliates and such retained debt collectors can contact you using that number, including calls using an automatic dialing and announcing device and prerecorded calls, and that such calls are not "unsolicited" under state or federal law. All of our rights under each Lease shall remain in effect after the expiration of the Lease Term or termination of the Schedule.

## Lease Schedule

Lease Schedule No.	030-0060795-004
Master Lease Agreement No.	0060795

BY SIGNING THIS SCHEDULE, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS OF THIS SCHEDULE AND THE MASTER AGREEMENT:	
<b>LESSEE</b> GLADWIN COUNTY ROAD COMMISSION 301 S STATE ST GLADWIN, MI 48824	<b>LESSOR</b> DEERE CREDIT, INC. 6400 NW 86 <sup>th</sup> ST, PO BOX 6600 JOHNSTON, IA 50131-6600
By:  DAYNA BITTNER, CLERK	By: _____
Date:  2/24/15	Date: _____

**Tab 5**

**Michigan Transportation Bond**

**Road Commission, 2012**

[illegible]

**Total Paid to Date**

PNC - Loan Contact  
 Janet Zupancic  
 412-768-5876

janet.zupancic@  
 pnc.com

# County of Gladwin, State of Michigan

## Michigan Transportation Fund Refunding Bonds, Series 2012

### Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/09/2012	-	-	7,355.91	7,355.91	-
02/01/2013	-	-	11,822.00	11,822.00	-
08/01/2013	-	-	-	-	19,177.91
12/31/2013	-	-	11,822.00	31,822.00	-
02/01/2014	20,000.00	1.840%	11,638.00	11,638.00	-
08/01/2014	-	-	-	-	43,460.00
12/31/2014	-	-	11,638.00	126,638.00	-
02/01/2015	115,000.00	1.840%	10,580.00	10,580.00	-
08/01/2015	-	-	-	-	137,218.00
12/31/2015	-	-	10,580.00	130,580.00	-
02/01/2016	120,000.00	1.840%	9,476.00	9,476.00	-
08/01/2016	-	-	-	-	140,056.00
12/31/2016	-	-	9,476.00	129,476.00	-
02/01/2017	120,000.00	1.840%	8,372.00	8,372.00	-
08/01/2017	-	-	-	-	137,848.00
12/31/2017	-	-	8,372.00	133,372.00	-
02/01/2018	125,000.00	1.840%	7,222.00	7,222.00	-
08/01/2018	-	-	-	-	140,594.00
12/31/2018	-	-	7,222.00	132,222.00	-
02/01/2019	125,000.00	1.840%	6,072.00	6,072.00	-
08/01/2019	-	-	-	-	138,294.00
12/31/2019	-	-	6,072.00	136,072.00	-
02/01/2020	130,000.00	1.840%	4,876.00	4,876.00	-
08/01/2020	-	-	-	-	140,948.00
12/31/2020	-	-	4,876.00	134,876.00	-
02/01/2021	130,000.00	1.840%	3,680.00	3,680.00	-
08/01/2021	-	-	-	-	138,556.00
12/31/2021	-	-	3,680.00	133,680.00	-
02/01/2022	130,000.00	1.840%	2,484.00	2,484.00	-
03/01/2022	-	-	-	-	136,164.00
12/31/2022	-	-	2,484.00	132,484.00	-
02/01/2023	130,000.00	1.840%	1,288.00	1,288.00	-
03/01/2023	-	-	-	-	133,772.00
12/31/2023	-	-	1,288.00	141,288.00	-
02/01/2024	140,000.00	1.840%	-	-	141,288.00
12/31/2024	-	-	-	-	-
<b>Total</b>	<b>\$1,285,000.00</b>		<b>\$162,375.91</b>	<b>\$1,447,375.91</b>	



R-1

UNITED STATES OF AMERICA  
STATE OF MICHIGAN

COUNTY OF GLADWIN  
MICHIGAN TRANSPORTATION FUND REFUNDING BOND, SERIES 2012

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>
1.84%	See Attached Exhibit A	October 9, 2012

Registered Owner: PNC Bank, National Association

Principal Amount: \*\*\*\*\*\$1,285,000\*\*\*\*\*

The County of Gladwin, State of Michigan (the "County"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the maturity dates and in the amounts set forth on Exhibit A attached hereto, the final payment to be made upon presentation and surrender of this bond at the office of the Treasurer of the County of Gladwin, Gladwin, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15<sup>th</sup> day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount from October 9, 2012, or such later date through which interest has been paid until the County's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first day of February and August in each year, commencing on February 1, 2013. Principal and interest are payable in lawful money of the United States of America. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This bond is a single obligation in the principal amount of One Million Two Hundred Eighty-Five Thousand Dollars (\$1,285,000) issued by the County under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 34, Public Acts of 2001, as amended) and a resolution adopted by the Board of Commissioners of the County on September 11, 2012 and an order of the County Treasurer (collectively, the "Resolution"), for the purpose of refunding the County's outstanding Michigan Transportation Fund Bonds, Series 2004, dated as of June 1, 2004, maturing in the years 2015 through 2024.

This bond and the interest thereon are payable from the proceeds of state collected taxes returned by the Michigan Transportation Fund to the Gladwin County Road Commission for highway purposes pursuant to law and the Resolution contains an irrevocable appropriation of the amount necessary to pay the principal of and interest on this bond from moneys derived from such state collected taxes so returned to the Gladwin County Road Commission for highway purposes which have not been theretofore specifically allocated and pledged for the payment of indebtedness. As additional security, the County has agreed that if the payments from the said taxes are insufficient to pay the principal of and interest on the bonds, then the County Treasurer shall be obligated to advance sufficient money from the general fund of the County to make up the deficiency. The ability of the County to levy ad valorem taxes in order to advance any such money is subject to statutory and constitutional limitations. The County may issue additional bonds payable from said state collected taxes and the Gladwin County Road Commission may pledge said state collected taxes for payment of certain obligations within the limitations prescribed by law.

This bond is not a general obligation of the State of Michigan.

This bond is transferable, as provided in the Resolution, only upon the books of the County kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

This bond is not subject to optional redemption prior to maturity.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the County, including the series of bonds of which this bond is one, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County of Gladwin, State of Michigan, by its Board of Commissioners, has caused this bond to be executed in its name by the manual or facsimile signatures of the Chairperson of the Board of Commissioners and the County Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted thereon. This bond shall not be valid unless the Certificate of Authentication has been manually executed by the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent.

COUNTY OF GLADWIN

By: \_\_\_\_\_

Its: Chairperson, Board of Commissioners

And: \_\_\_\_\_

Its: Clerk



CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Resolution.

By:

\_\_\_\_\_  
Treasurer, County of Gladwin, Michigan  
Bond Registrar and Paying Agent

AUTHENTICATION DATE:      October 9, 2012

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
(please print or type name, address and taxpayer identification number of transferee) the within  
bond and all rights thereunder and hereby irrevocably constitutes and appoints  
\_\_\_\_\_  
attorney to transfer the within bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature(s) must be guaranteed by an eligible guarantor institution participating in a  
Securities Transfer Association recognized signature guarantee program.

## EXHIBIT A

The principal amounts and maturity dates for the bond to which this Exhibit A is attached are as follows:

<u>MATURITY DATE</u> <u>FEBRUARY 1</u>	<u>PRINCIPAL MATURITY</u>
2014	\$ 20,000
2015	115,000
2016	120,000
2017	120,000
2018	125,000
2019	125,000
2020	130,000
2021	130,000
2022	130,000
2023	130,000
2024	140,000

## **Tab 6**

### **Michigan Transportation Bond Road Commission, 2019**

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Date	Description	Receipt #	JE #	Amt Received	Principal	Interest	Total
							Owed

[illegible]



**Bond Schedule****Date:** 01/10/20**Borrower Name:** Gladwin County Road Commission**Type of Bond:** G0**Interest Rate:** 2.750%**Yrs Deferred Principle** 0**Principal:** \$4,000,000**Ammort. Factor** \$0**Ammortized Payment:** \$197,538**Reserve Annual**

70,700

Year	1st Interest	2nd Interest	Principal Paid	Total Year Payment	Loan Balance
<del>2020</del>					4,000,000
2020 <del>2021</del>	55,000	55,000	88,000	198,000	3,912,000
2021 <del>2022</del>	53,790	53,790	90,000	197,580	3,822,000
2022 <del>2023</del>	52,553	52,553	92,000	197,105	3,730,000
2023	51,288	51,288	95,000	197,575	3,635,000
4	49,981	49,981	98,000	197,963	3,537,000
5	48,634	48,634	100,000	197,268	3,437,000
6	47,259	47,259	103,000	197,518	3,334,000
7	45,843	45,843	106,000	197,685	3,228,000
8	44,385	44,385	109,000	197,770	3,119,000
9	42,886	42,886	112,000	197,773	3,007,000
10	41,346	41,346	115,000	197,693	2,892,000
11	39,765	39,765	118,000	197,530	2,774,000
12	38,143	38,143	121,000	197,285	2,653,000
13	36,479	36,479	125,000	197,958	2,528,000
14	34,760	34,760	128,000	197,520	2,400,000
15	33,000	33,000	132,000	198,000	2,268,000
16	31,185	31,185	135,000	197,370	2,133,000
17	29,329	29,329	139,000	197,658	1,994,000
18	27,418	27,418	143,000	197,835	1,851,000
19	25,451	25,451	147,000	197,903	1,704,000
20	23,430	23,430	151,000	197,860	1,553,000
21	21,354	21,354	155,000	197,708	1,398,000
22	19,223	19,223	159,000	197,445	1,239,000
23	17,036	17,036	163,000	197,073	1,076,000
24	14,795	14,795	168,000	197,590	908,000
25	12,485	12,485	173,000	197,970	735,000
26	10,106	10,106	177,000	197,213	558,000
27	7,673	7,673	182,000	197,345	376,000
28	5,170	5,170	187,000	197,340	189,000
29	2,599	2,599	189,000	194,198	0
30					

Final Maturity 12/1/2049

R-1

UNITED STATES OF AMERICA  
STATE OF MICHIGAN

COUNTY OF GLADWIN

LIMITED TAX GENERAL OBLIGATION BOND, SERIES 2019

No. 1

\$4,000,000

The County of Gladwin, State of Michigan (the "County"), acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner the sum of Four Million Dollars (\$4,000,000) on the dates and in the amounts set forth on Exhibit A, attached hereto and made a part hereof, with interest on such principal sum from the date each principal payment is received by the County as set forth on the Registration Grid of this bond at the rate of two and 75/100 percent (2.75%) per annum, payable on the first day of June and December of each year commencing on June 1, 2020. Principal and interest shall be payable in lawful money of the United States of America and shall be paid through an electronic payment process or by check or draft mailed to the Registered Owner at the address shown on the Registration Grid.

This bond is issued by the County in the aggregate principal amount of Four Million Dollars (\$4,000,000) under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 34, Public Acts of 2001, as amended) and a bond authorizing resolution adopted by the Board of Commissioners of the County (the "Resolution") for the purpose of defraying all or part of the cost of acquiring, constructing and improving County road commission facilities and making other improvements to the new and improved facilities and the site thereof.

The County has irrevocably pledged its full faith and credit for the prompt payment of the principal of and interest on this bond as the same become due. The principal of and interest on the bond are payable as a first budget obligation of the County from its general funds. The ability of the County to raise such funds is subject to applicable statutory and constitutional limitations on the taxing power of the County. The amount of taxes necessary to pay the principal of and interest on this bond, together with the taxes levied for the same year, shall not exceed the limit authorized by law.

This bond shall be registered as to principal and interest, as provided in the Resolution, in the name of the owner upon the books of the County kept for that purpose by the County Treasurer as bond registrar and paying agent, and such registration shall be noted on the Registration Grid. This bond may be transferred only by submitting the same, together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing, to the bond registrar and paying agent for registration in the name of the transferee on the registration books and for notation of such registration on the Registration Grid. This bond may not be transferred less than five (5) days prior to an interest payment date.

Principal installments may be prepaid prior to maturity without premium and in such order as shall be determined by the County on any one or more dates other than on a Saturday, Sunday or holiday. Principal installments that have been prepared shall be noted on Exhibit A and such installments no longer shall be considered outstanding for any purpose. Thirty days' notice of prepayment shall be given to the Registered Owner by mail to the address shown on the Registration Grid.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the County, including this bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County of Gladwin, Michigan, by its Board of Commissioners, has caused this bond to be executed in its name by signatures of its Chairperson of the Board of Commissioners and Clerk and its seal (or a facsimile thereof) to be impressed or imprinted hereon.

COUNTY OF GLADWIN

By:

Chairperson, Board of Commissioners

And:

County Clerk

Dated: January 10, 2020



EXHIBIT A

COUNTY OF GLADWIN

Limited Tax General Obligation Bond, Series 2019

Due December 1

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
2020	\$88,000	2035	\$132,000
2021	90,000	2036	135,000
2022	92,000	2037	139,000
2023	95,000	2038	143,000
2024	98,000	2039	147,000
2025	100,000	2040	151,000
2026	103,000	2041	155,000
2027	106,000	2042	159,000
2028	109,000	2043	163,000
2029	112,000	2044	168,000
2030	115,000	2045	173,000
2031	118,000	2046	177,000
2032	121,000	2047	182,000
2033	125,000	2048	187,000
2034	128,000	2049	189,000

REGISTRATION GRID

COUNTY OF GLADWIN

Limited Tax General Obligation Bond, Series 2019

NOTHING TO BE WRITTEN HEREON  
EXCEPT BY BOND REGISTRAR AND PAYING AGENT

<u>Date</u>	<u>Principal Amount Received</u>	<u>Name and Address of Registered Owner</u>	<u>Signature</u>
<u>01/10/2020</u>	<u>\$36,000</u>	<u>United States of America</u>	<u>Christy Van Sien</u>
<u>04/09/2020</u>	<u>\$232,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>5/27/2020</u>	<u>\$231,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>06/22/2020</u>	<u>\$296,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>07/10/2020</u>	<u>\$307,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>08/21/2020</u>	<u>\$396,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>09/18/2020</u>	<u>\$333,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>10/22/2020</u>	<u>\$447,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>11/23/2020</u>	<u>\$394,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>12/18/2020</u>	<u>\$252,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>01/25/2021</u>	<u>\$291,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>02/23/2021</u>	<u>\$250,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>04/06/2021</u>	<u>\$26,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>05/18/2021</u>	<u>\$192,000</u>	<u>US of America</u>	<u>Christy Van Sien</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Position 5  
**LOAN RESOLUTION**  
(Public Bodies)

FORM APPROVED  
OMB NO. 0575-0015

A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE COUNTY OF GLADWIN  
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING  
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS  
ROAD COMMISSION FACILITY  
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the COUNTY OF GLADWIN  
(Public Body)  
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of  
\$4,000,000.00

pursuant to the provisions of PUBLIC ACT 34 OF 2001, AS AMENDED; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
  - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
  - (b) Repairing or replacing short-lived assets.
  - (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 0

under the terms offered by the Government; that the BOARD CHAIR

and CLERK of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas 4 Nays 0 Absent 1

IN WITNESS WHEREOF, the BOARD OF COMMISSIONERS of the

COUNTY OF GLADWIN

has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 12th day of November, 2019.

(SEAL)

Attest:

Anna Blandon Murrel

CLERK

Title

By Sharon L. Smith

Title BOARD CHAIR

**CERTIFICATION TO BE EXECUTED AT LOAN CLOSING**

I, the undersigned, as Clerk of the County of Gladwin

hereby certify that the Board of Commissioners of such Association is composed of

5 members, of whom 4, constituting a quorum, were present at a meeting thereof duly called and

held on the 12th day of November, 2019; and that the foregoing resolution was adopted at such meeting

by the vote shown above. I further certify that as of 01-10-2020, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this 10th day of January, 2020.



Title CLERK



**Tab 7**  
**Water Supply & Sewer Disposal**  
**Gladwin City**  
**Series 1996**

[illegible]

TRUE

R-13

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF GLADWIN  
2007 GLADWIN COUNTY (CITY OF GLADWIN  
WATER AND SEWER SYSTEM) REFUNDING BOND

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
4.550%	September 1, 2020	July 26, 2007	376705 JZ3

Registered Owner: Chemical Bank

Principal Amount: \*\*\*\*\*\$100,000\*\*\*\*\*

**SPECIMEN**

The County of Gladwin, State of Michigan (the "County") acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at Chemical Bank, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount from July 26, 2007 or such later date through which interest has been paid until the County's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first days of March and September in each year, commencing on March 1, 2008. Principal and interest are payable in lawful money of the United States of America.

This bond is one of a series of bonds aggregating the principal sum of One Million Five Thousand Dollars (\$1,005,000) issued by the County under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 185, Public Acts of 1957, as amended, and Act No. 34, Public Acts of 2001, as amended) and a resolution adopted by the Board of Commissioners of the County and an order of the County Treasurer (collectively, the "Resolution") for the purpose of refunding the outstanding Water Supply and Sewage Disposal System No. 1 (City of Gladwin) Series 1996 Bonds, dated as of March 1, 1996, maturing in the years 2008 through 2020. The bonds of this series are issued in anticipation of, and the principal of and interest on the bonds are payable from, moneys to be received by the County from the City of Gladwin (hereinafter referred to as the "City") in payment of its obligations under a Contract dated March 27, 1996, between the County and the City. The full faith and credit of the City have been pledged for the making of payments to the County in amounts sufficient to pay the principal



# LOAN STATEMENT



Member FDIC

A Division of TCF National Bank

PO BOX 1527 | MIDLAND, MI 48641-1527

800.867.9757

Return Service Requested

00000265 IBSP0111200514204230 000001 100000 0M

GLADWIN COUNTY  
C/O GLADWIN COUNTY TREASURER  
401 W CEDAR  
GLADWIN MI 48624-2058

Account/Note Number	09999796178-00001
Statement Date	01/10/20
Officer	LOAN SERVICING
Branch Number	6197
Current Balance	\$100,000.00
Payment Due Date	03/01/20
Amount Due	\$2,275.00

Call 1-866-731-6414 with questions on your bill.

SUMMARY					
Note/Category	Current Balance	Interest Rate	Maturity Date	Description	Amount Due
MULTIPLE COLLATERAL					
00001/C	100,000.00	4.550000	09/01/20		
				Interest To 03/01/20	2,275.00
				Total Due On 03/01/20	\$2,275.00

YEAR-TO-DATE SUMMARY			
Interest Paid	0.00	Escrow Interest Paid	0.00
Unapplied Funds	0.00	Escrow Balance	0.00
Taxes Disbursed	0.00		

LOAN HISTORY								
Note Number	Posting Date	Effective Date	Transaction Description	Principal	Interest	Late Fees/ Others	Escrow	Insurance
00001	09/03/19	09/01/19	Payment	0.00	2,275.00	0.00	0.00	0.00

Please return the bottom portion of the statement with your loan payment.



Check here for change of address or phone number and indicate changes.

GLADWIN COUNTY  
C/O GLADWIN COUNTY TREASURER  
401 W CEDAR  
GLADWIN MI 48624-2058

321

Account/Note Number	09999796178-00001
Payment Due Date	03/01/20
Amount Due	\$2,275.00
Additional Prin, Int, Escrow, Fees:	
Amount Enclosed	

Please remit and make check payable to:  
CHEMICAL BANK  
PO BOX 1527  
MIDLAND MI 48641-1527

321 09999796178 00001 610 00000 0000227500 8

00000265-00000001-Page 000001 of 000002-IBSP0111200514204230-FORM226

**County of Gladwin, Michigan (City of Gladwin)**  
*Refunding of 1996 Water and Sewer Bonds*  
*Dated: July 26, 2007*

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/26/2007	-	-	-	-	-
03/01/2008	-	-	-	-	-
09/01/2008	55,000.00	3.950%	25,695.49	25,695.49	-
12/31/2008	-	-	21,512.50	76,512.50	-
03/01/2009	-	-	-	-	102,207.99
09/01/2009	60,000.00	4.000%	20,426.25	20,426.25	-
12/31/2009	-	-	20,426.25	80,426.25	-
03/01/2010	-	-	-	-	100,852.50
09/01/2010	65,000.00	4.050%	19,226.25	19,226.25	-
12/31/2010	-	-	19,226.25	84,226.25	-
03/01/2011	-	-	-	-	103,452.50
09/01/2011	70,000.00	4.100%	17,910.00	17,910.00	-
12/31/2011	-	-	17,910.00	87,910.00	-
03/01/2012	-	-	-	-	105,820.00
09/01/2012	70,000.00	4.150%	16,475.00	16,475.00	-
12/31/2012	-	-	16,475.00	86,475.00	-
03/01/2013	-	-	-	-	102,950.00
09/01/2013	75,000.00	4.200%	15,022.50	15,022.50	-
12/31/2013	-	-	15,022.50	90,022.50	-
03/01/2014	-	-	-	-	105,045.00
09/01/2014	75,000.00	4.250%	13,447.50	13,447.50	-
12/31/2014	-	-	13,447.50	88,447.50	-
03/01/2015	-	-	-	-	101,895.00
09/01/2015	80,000.00	4.300%	11,853.75	11,853.75	-
12/31/2015	-	-	11,853.75	91,853.75	-
03/01/2016	-	-	-	-	103,707.50
09/01/2016	85,000.00	4.350%	10,133.75	10,133.75	-
12/31/2016	-	-	10,133.75	95,133.75	-
03/01/2017	-	-	-	-	105,267.50
09/01/2017	85,000.00	4.400%	8,285.00	8,285.00	-
12/31/2017	-	-	8,285.00	93,285.00	-
03/01/2018	-	-	-	-	101,570.00
09/01/2018	90,000.00	4.450%	6,415.00	6,415.00	-
12/31/2018	-	-	6,415.00	96,415.00	-
03/01/2019	-	-	-	-	102,830.00
09/01/2019	95,000.00	4.500%	4,412.50	4,412.50	-
12/31/2019	-	-	4,412.50	99,412.50	-
03/01/2020	-	-	-	-	103,825.00
09/01/2020	100,000.00	4.550%	2,275.00	2,275.00	-
12/31/2020	-	-	2,275.00	102,275.00	-
<b>Total</b>	<b>\$1,005,000.00</b>	<b>-</b>	<b>\$338,972.99</b>	<b>\$1,343,972.99</b>	<b>104,550.00</b>

071707 1996 Refund Privat | SINGLE PURPOSE | 7/17/2007 | 1:29 PM

**Robert W. Baird**  
 Public Finance

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**County of Gladwin, Michigan (City of Gladwin)**

*Refunding of 1996 Water and Sewer Bonds*

*Dated: July 26, 2007*

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**Debt Service Schedule**

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Part 2 of 2

**Yield Statistics**

Bond Year Dollars .....	\$7,757.71
Average Life .....	7.719 Years
Average Coupon .....	4.3694990%
Net Interest Cost (NIC) .....	4.3694990%
True Interest Cost (TIC) .....	4.3590493%
Bond Yield for Arbitrage Purposes .....	4.3590493%
All Inclusive Cost (AIC) .....	4.7545727%
 <b>IRS Form 8038</b>	
Net Interest Cost .....	4.3694990%
Weighted Average Maturity .....	7.719 Years

**Tab 8**

**Chappel Dam Drain Note**

**Gladwin County**

**Series 2009**

[illegible]



## Christy VanTiem

**From:** Lewis, Kayshellyn <Kayshellyn.Lewis@bnymellon.com>  
**Sent:** Wednesday, June 24, 2020 12:45 PM  
**To:** Christy VanTiem  
**Subject:** RE: Chappel Dam Gladwin County

Hello,

Here is the payoff quote for 9/30/2020. There is no charge for the redemption:

CURRENT BALANCE		\$635,000.00	ACS KEY	Chappeldam09	
RATE	MATURITY DATE	OUTSTANDING	MIN DEMOM	CUSIP NO.	ACCRUED INTEREST
5.500%	6/1/2021	\$100,000.00	5,000		\$1,818.06
5.500%	6/1/2022	\$100,000.00	5,000		\$1,818.06
5.500%	6/1/2023	\$100,000.00	5,000		\$1,818.06
5.750%	6/1/2024	\$100,000.00	5,000		\$1,900.69
5.750%	6/1/2025	\$100,000.00	5,000		\$1,900.69
5.750%	6/1/2026	\$100,000.00	5,000		\$1,900.69
5.750%	6/1/2027	\$35,000.00	5,000		\$665.24

6/1/2020
9/30/2020
119

\$635,000.00  
\$11,821.49

**\$646,821.49**  
**Chappeldam**

Thank you,

Kayshellyn Lewis  
BNY Mellon  
CT-Client Service Manager  
Issuer & Loan Services - Client Service Delivery Corporate Trust- Agency  
2001 Bryan St, 10th Fl, 755-1100  
Dallas, TX 75201  
(214)468-5010  
[Kayshellyn.Lewis@bnymellon.com](mailto:Kayshellyn.Lewis@bnymellon.com)

**From:** Christy VanTiem <christy.vantiem@gladwincounty-mi.gov>  
**Sent:** Tuesday, June 23, 2020 1:16 PM  
**To:** Lewis, Kayshellyn <Kayshellyn.Lewis@bnymellon.com>  
**Subject:** RE: Chappel Dam Gladwin County

September 30 should give them enough time to decide whether or not they can refi. Is there a charge for a payoff?

*Christy Van Tiem*, CPFIM  
Gladwin County Treasurer

# DEBT SERVICE SCHEDULE

134-DD-DSA  
Effective: 04/15/2020

Issuer: CHAPPEL DAM GLADWIN COUNTY		CHAPPELDAM09		
Pay#	Date	Interest	Principal	Balance
1	12/01/2009	59,866.67	0.00	1,745,000.00
2	06/01/2010	44,900.00	45,000.00	1,700,000.00
3	12/01/2010	44,000.00	0.00	1,700,000.00
4	06/01/2011	44,000.00	75,000.00	1,625,000.00
5	12/01/2011	42,500.00	0.00	1,625,000.00
6	06/01/2012	42,500.00	75,000.00	1,550,000.00
7	12/01/2012	41,000.00	0.00	1,550,000.00
8	06/01/2013	41,000.00	75,000.00	1,475,000.00
9	12/01/2013	39,500.00	0.00	1,475,000.00
10	06/01/2014	39,500.00	75,000.00	1,400,000.00
11	12/01/2014	38,000.00	0.00	1,400,000.00
12	06/01/2015	38,000.00	75,000.00	1,325,000.00
13	12/01/2015	36,500.00	0.00	1,325,000.00
14	06/01/2016	36,500.00	75,000.00	1,250,000.00
15	12/01/2016	34,906.25	0.00	1,250,000.00
16	06/01/2017	34,906.25	75,000.00	1,175,000.00
17	12/01/2017	33,125.00	0.00	1,175,000.00
18	06/01/2018	33,125.00	75,000.00	1,100,000.00
*	07/21/2018	1,666.66	200,000.00 C	900,000.00
*	09/14/2018	236.04	15,000.00 C	885,000.00
19	12/01/2018	24,837.50	0.00	885,000.00
*	03/18/2019	256.35	15,000.00 C	870,000.00
20	06/01/2019	24,406.25	135,000.00 C/M	735,000.00
21	12/01/2019	20,631.25	0.00	735,000.00
22	06/01/2020	20,631.25	100,000.00	635,000.00
23	12/01/2020	17,881.25	0.00	635,000.00
24	06/01/2021	17,881.25	100,000.00	535,000.00
25	12/01/2021	15,131.25	0.00	535,000.00
26	06/01/2022	15,131.25	100,000.00	435,000.00
27	12/01/2022	12,381.25	0.00	435,000.00
28	06/01/2023	12,381.25	100,000.00	335,000.00
29	12/01/2023	9,631.25	0.00	335,000.00
30	06/01/2024	9,631.25	100,000.00	235,000.00
31	12/01/2024	6,756.25	0.00	235,000.00
32	06/01/2025	6,756.25	100,000.00	135,000.00
33	12/01/2025	3,881.25	0.00	135,000.00
34	06/01/2026	3,881.25	100,000.00	35,000.00
35	12/01/2026	1,006.25	0.00	35,000.00
36	06/01/2027	1,006.25	35,000.00	0.00
37	12/01/2027	0.00	0.00	0.00
38	06/01/2028	0.00	0.00	0.00
39	12/01/2028	0.00	0.00	0.00
40	06/01/2029	0.00	0.00	0.00
<b>Total</b>		<b>949,831.97</b>	<b>1,745,000.00</b>	

**Tab 9**  
**Chappel Dam Drain Note**  
**Gladwin County**  
**Series 2020**

**853 Chappel Dam Special Assessment Bond #2**  
**Isabella Bank**

Date	Description	JE #	Principal	Interest	Total Bond Payment	Total
			823-000-991-000	823-000-995-000		Owed

[illegible]

**TRUE**

**Chappel Dam Special Assessment Bonds**  
**Semiannual Interest Payments**  
**September 29, 2020**



Settlement Date	09/30/2020
Amount	\$ 565,000.00
Interest Rate	2.30%

	Payment Date	Principal Balance	Payment Amounts		
			Interest	Principal	Total
1	12/01/2020	\$ 565,000.00	\$ 2,201.93	\$ -	\$ 2,201.93
2	06/01/2021	565,000.00	6,497.50	35,000.00	41,497.50
3	12/01/2021	530,000.00	6,095.00	-	6,095.00
4	06/01/2022	530,000.00	6,095.00	40,000.00	46,095.00
5	12/01/2022	490,000.00	5,635.00	-	5,635.00
6	06/01/2023	490,000.00	5,635.00	40,000.00	45,635.00
7	12/01/2023	450,000.00	5,175.00	-	5,175.00
8	06/01/2024	450,000.00	5,175.00	40,000.00	45,175.00
9	12/01/2024	410,000.00	4,715.00	-	4,715.00
10	06/01/2025	410,000.00	4,715.00	40,000.00	44,715.00
11	12/01/2025	370,000.00	4,255.00	-	4,255.00
12	06/01/2026	370,000.00	4,255.00	40,000.00	44,255.00
13	12/01/2026	330,000.00	3,795.00	-	3,795.00
14	06/01/2027	330,000.00	3,795.00	40,000.00	43,795.00
15	12/01/2027	290,000.00	3,335.00	-	3,335.00
16	06/01/2028	290,000.00	3,335.00	40,000.00	43,335.00
17	12/01/2028	250,000.00	2,875.00	-	2,875.00
18	06/01/2029	250,000.00	2,875.00	40,000.00	42,875.00
19	12/01/2029	210,000.00	2,415.00	-	2,415.00
20	06/01/2030	210,000.00	2,415.00	35,000.00	37,415.00
21	12/01/2030	175,000.00	2,012.50	-	2,012.50
22	06/01/2031	175,000.00	2,012.50	35,000.00	37,012.50
23	12/01/2031	140,000.00	1,610.00	-	1,610.00
24	06/01/2032	140,000.00	1,610.00	35,000.00	36,610.00
25	12/01/2032	105,000.00	1,207.50	-	1,207.50
26	06/01/2033	105,000.00	1,207.50	35,000.00	36,207.50
27	12/01/2033	70,000.00	805.00	-	805.00
28	06/01/2034	70,000.00	805.00	35,000.00	35,805.00
29	12/01/2034	35,000.00	402.50	-	402.50
30	06/01/2035	35,000.00	402.50	35,000.00	35,402.50
			<b>\$ 97,364.43</b>	<b>\$ 565,000.00</b>	<b>\$ 662,364.43</b>

R-1

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF GLADWIN  
CHAPPEL DAM SPECIAL ASSESSMENT DISTRICT  
CHAPPEL DAM SPECIAL ASSESSMENT BOND, SERIES 2020

INTEREST RATE

MATURITY DATE

DATE OF ORIGINAL ISSUE

2.30%

See Attached Exhibit A

September 30, 2020

Registered Owner: Isabella Bank

Principal Amount: \*\*\*\*\*\$565,000\*\*\*\*\*

The Chappel Dam Assessment District, County of Gladwin, State of Michigan (the "Special Assessment District"), acknowledges itself indebted to and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount on the maturity dates and in the amounts set forth on Exhibit A attached hereto, unless redeemed prior thereto as hereinafter provided, the final payment of such Principal Amount to be made upon presentation and surrender of this bond at the office of the Gladwin County Treasurer in the city of Gladwin, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by wire transfer or check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount until the Special Assessment District's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first day of June and December in each year, commencing on June 1, 2021. Principal and interest are payable in lawful money of the United States of America. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This bond is a single obligation in the principal sum of Five Hundred Sixty-Five Thousand Dollars (\$565,000) issued by the Special Assessment District under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Part 307 of Act No. 451, Public Acts of 1994, as amended) and a bond authorizing resolution (the "Resolution") of the Wiggins Lake Authority, acting as the "delegated authority" of the County of Gladwin under said Part 307, for the purpose of defraying the cost of maintaining the revised normal levels for Wiggins Lake in the Township of Sage, County of Gladwin, Michigan, including improvements to Chappel Dam. The bonds of this series are issued in anticipation of the collection of special assessments assessed against property and public corporations in the Special Assessment District in aggregate principal amount of Five Hundred Sixty-Five Thousand Dollars (\$565,000). As additional security for the payment of the principal of and interest on the bonds of this series, the full faith and credit of the County of Gladwin are pledged for the prompt payment thereof. Taxes levies by the County

to pay the principal of and interest on the bonds of this series are subject to constitutional tax limitations.

This bond is transferable, as provided in the Resolution, only upon the books of the Special Assessment District kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in any denominations not exceeding the aggregate principal amount for each maturity.

Bonds maturing prior to June 1, 2022 are not subject to redemption prior to maturity. Bonds maturing on and after June 1, 2022, are subject to redemption prior to maturity at the option of the Special Assessment District, in whole or in part, in such order as shall be determined by the Special Assessment District, on any interest payment date on and after June 1, 2021. Bonds may be partially redeemed in any amount. If less than all of the bonds maturing in any year are to be redeemed, the bonds or portions of bonds to be redeemed shall be selected by lot. The redemption price shall be the par value of the bond or portion of the bond called to be redeemed plus interest to the date fixed for redemption.

Not less than thirty nor more than sixty days' notice of redemption shall be given by first-class mail to the registered owners of bonds called to be redeemed at their registered addresses. Failure to receive notice of redemption shall not affect the proceedings for redemption. Bonds or portions of bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds which have been selected for redemption.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the Special Assessment District, including this bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Chappel Dam Assessment District, County of Gladwin, Michigan, has caused this bond to be executed in its name by the facsimile signatures of the Chair of the Board of the Wiggins Lake Authority, acting as delegated authority for the County of Gladwin, Michigan, pursuant to Part 307 of Act 451, Public Acts of Michigan, 1994, as amended, and the Gladwin County Clerk. This bond shall not be valid unless the Certificate of Authentication has been manually executed by the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent.

CHAPPEL DAM ASSESSMENT DISTRICT

By: Clarence Brandon Maveal

County Clerk

By: Erin L. A. [Signature]

Chair of the Board, Wiggins Lake  
Authority, Delegated Authority,  
Chappel Dam Assessment District

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Resolution.

By: Christy Van Siem  
Treasurer, County of Gladwin, Michigan  
as note registrar and paying agent

AUTHENTICATION DATE: September 30, 2020



ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
(please print or type name, address and taxpayer identification number of transferee) the within  
bond and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_  
attorney to transfer the within bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature(s) must be guaranteed by an eligible guarantor institution participating in a  
Securities Transfer Association recognized signature guarantee program.

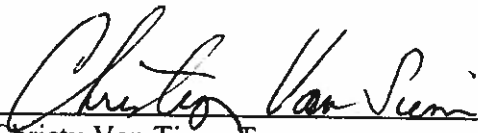
## EXHIBIT A

The principal amounts and maturity dates for the bond to which this Exhibit A is attached are as follows:

<u>MATURITY DATE</u> <u>JUNE 1</u>	<u>PRINCIPAL MATURITY</u>
2021	\$35,000
2022	40,000
2023	40,000
2024	40,000
2025	40,000
2026	40,000
2027	40,000
2028	40,000
2029	40,000
2030	35,000
2031	35,000
2032	35,000
2033	35,000
2034	35,000
2035	35,000

RECEIPT OF TREASURER

I, the undersigned, Treasurer of the County of Gladwin, State of Michigan, do hereby certify that the \$565,000 Chappel Dam Special Assessment Bonds, Series 2020 dated September 30, 2020, issued by Chappel Dam Assessment District, were delivered to Isabella Bank, the purchaser thereof, on this date, and that said bonds have been paid for in full by said purchaser in accordance with the terms of sale, which was at a price not less than that required by law, and that said purchaser has fully complied with its contract for the purchase of said bonds.

  
\_\_\_\_\_  
Christy Van Tiem, Treasurer  
County of Gladwin, Michigan

Dated: September 30, 2020

## SIGNATURE AND NON-LITIGATION CERTIFICATE

We, the undersigned, Michael A. Rajt and Laura Brandon-Maveal, hereby certify as follows:

1. We are, respectively, the duly qualified and acting Chair of the Board of the Wiggins Lake Authority, acting as "delegated authority" of the County of Gladwin pursuant to Part 307 of Act 451 of the Public Acts of Michigan, 1994, as amended (the "Delegated Authority"), and County Clerk of the County of Gladwin, Michigan.

2. This Certificate pertains to the issuance by the Chappel Dam Assessment District (the "Issuer") of its Chappel Dam Special Assessment Bonds, Series 2020, dated as of September 30, 2020, in the aggregate principal amount of \$565,000 (the "Bonds"). The Bonds are issued in the form of a single, fully registered bond in the denomination of \$565,000, bear interest at the rate of 2.30% per annum, payable on each December 1 and June 1, commencing December 1, 2020, and mature on June 1 in each year, as follows:

<u>Year</u> <u>(June 1)</u>	<u>Amount</u>	<u>Year</u> <u>(June 1)</u>	<u>Amount</u>
2021	\$35,000	2029	\$40,000
2022	\$40,000	2030	\$35,000
2023	\$40,000	2031	\$35,000
2024	\$40,000	2032	\$35,000
2025	\$40,000	2033	\$35,000
2026	\$40,000	2034	\$35,000
2027	\$40,000	2035	\$35,000
2028	\$40,000		

3. We have, for and on behalf of the Issuer, respectively signed and countersigned the Bonds with our facsimile signatures. Our signatures affixed below and on the Bonds are our genuine signatures.

4. No litigation of any nature is now pending, or to our knowledge threatened, restraining or enjoining the issuance and delivery of the Bonds or the imposition and collection of taxes, assessments or charges, as the case may be, to pay the principal and interest thereon, or in any manner questioning the proceedings and authority under which the Bonds are issued, or affecting the validity of the Bonds; neither the corporate existence or boundaries of the Issuer nor the title of its present officers to their respective offices is being contested; and no authority or proceeding for the issuance of the Bonds has been annulled, repealed, revoked, rescinded or amended.

\$565,000  
**CHAPPEL DAM SPECIAL ASSESSMENT DISTRICT**  
**COUNTY OF GLADWIN, STATE OF MICHIGAN**  
**SPECIAL ASSESSMENT BONDS, SERIES 2020**

**SCHEDULE OF REVENUES, DEBT SERVICE REQUIREMENTS AND COVERAGE**

Year	Principal Due 1-Jun	Interest Rate	15 Interest Due 1-Jun	Balance	Interest Due 1-Dec	Balance	Total Revenues Due December 1	Balance
2020	\$0	2.30%	\$0	\$12,995	2,202	\$10,793	\$40,918	\$51,711
2021	\$35,000	2.30%	6,498	10,213	6,095	4,118	55,193	59,311
2022	40,000	2.30%	6,095	13,216	5,693	7,524	53,947	61,470
2023	40,000	2.30%	5,635	15,835	5,233	10,603	52,701	63,304
2024	40,000	2.30%	5,175	18,129	4,773	13,356	51,455	64,812
2025	40,000	2.30%	4,715	20,097	4,313	15,784	50,209	65,994
2026	40,000	2.30%	4,255	21,739	3,853	17,886	48,964	66,850
2027	40,000	2.30%	3,795	23,055	3,393	19,662	47,718	67,380
2028	40,000	2.30%	3,335	24,045	2,933	21,113	46,472	67,585
2029	40,000	2.30%	2,875	24,710	2,473	22,237	45,226	67,463
2030	35,000	2.30%	2,415	30,048	2,013	28,036	43,980	72,016
2031	35,000	2.30%	2,013	35,004	1,610	33,394	42,735	76,129
2032	35,000	2.30%	1,610	39,519	1,208	38,311	41,489	79,800
2033	35,000	2.30%	1,208	43,592	805	42,787	40,243	83,031
2034	35,000	2.30%	805	47,226	403	46,823	38,997	85,820
2035	35,000	2.30%	403	50,418	0	50,418	0	50,418
	<u>\$565,000</u>		<u>\$50,830</u>		<u>\$46,994</u>		<u>\$700,247</u>	

**BOND DETAILS**

Bonds Dated:	09/30/2020
First Interest Payment:	12/01/2020
Number of Days:	61 *
Subsequent Interest Payment:	06/01/2021
Number of Days:	180
First Principal Payment:	06/01/2021
Interest Rate	2.30%

**17000 Kercheval Ave., Suite 230, Grosse Pointe, Michigan 48230**  
**PHONE: (313) 961-8222 FAX: (313) 961-8220**

The information contained herein was derived from sources generally recognized as reliable and does not make any representations as to correctness or completeness and has in no way been altered except to the extent that some information may be summarized, and is in no way intended to be a solicitation for orders.